洛陽欒川鉬業集團股份有限公司
CMOC Group Limited*

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

(Stock Code: 03993)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

The board (the "**Board**") of directors (the "**Directors**") of CMOC Group Limited* (the "**Company**") is pleased to announce the consolidated financial results of the Company and its subsidiaries (collectively, the "**Group**") for the year ended 31 December 2023.

The financial information set out in this announcement does not constitute the Group's complete set of the consolidated financial statements for the year ended 31 December 2023, but represents an extract from those consolidated financial statements.

The financial information has been reviewed by the Audit and Risk Committee of the Company and the auditor of the Company.

Note: This announcement was prepared in both Chinese and English versions. Where there is discrepancy between the Chinese and English versions, the Chinese version shall prevail.

SUMMARY

Business indicators reached historic highs, leading the Company onto the "fast track" of development. The Company achieved operating revenue of RMB186.3 billion for the year, representing a year-on-year increase of 8%; the net profit attributable to shareholders of the parent company amounted to RMB8.2 billion, representing a year-on-year increase of 36%, both hit record high. The operating net cash flow reached RMB15.5 billion, essentially flat year-on-year; and the IXM achieved the net profit attributable to shareholders of the parent company amounted to RMB0.913 billion, which also reached its historical best level.

Output of all products saw year-on-year growth, establishing the Company as a key global copper producer. Output of all products of the Company achieved year-on-year growth, with copper, cobalt, niobium and phosphate reaching historic high. In 2023, the Company produced 419.5kt of copper and 55.5kt of cobalt, representing year-on-year increases of 51% and 174% respectively. The Company's copper production volume is approaching top ten in the world, and it has become the world's largest cobalt producer. The production volume of molybdenum, tungsten and niobium remains leading globally.

Solidified its production capacity advantage through the successful completion of two world-class copper-cobalt projects. The KFM project reached full production in the second quarter of 2023, with the production of 113.7kt of copper and 33.9kt of cobalt for the year. The TFM mixed ore project completed the construction of three production lines of mixed ore in the central zone, oxide ore and mixed ore in the eastern zone, and put into production in October 2023. Currently, the project has five copper-cobalt production lines, with an annual production capacity of 450kt of copper and 37kt of cobalt. The project produced 280.3kt of copper and 21.6kt of cobalt for the year.

The issue regarding TFM royalties was properly settled, laying a solid foundation for the long-term development. In April 2023, the Company and business partners reached a consensus on the issue of TFM royalties; and in July 2023, a Settlement Agreement was signed to properly settle the issue of TFM royalties, which showcased the Company's ability to cope with complex issues in its international operations and laid a solid foundation for the long-term development.

Carrying out regular asset review while expanding product portfolio, achieving the overall presence in copper-cobalt-nickel-lithium new energy metals. In 2023, the Company sold 80% of its equity interest in NPM Copper and Gold Mine and obtained substantial earnings. The consortium between the Company and CATL acquired the mining rights of two lithium brines in Bolivia, thus achieving the overall presence in copper-cobalt-nickel-lithium new energy metals.

ESG performance further improved, taking a leading position in the industry. In 2023, the Company's MSCI ESG performance was upgraded to AA Class, placing the Company in the top 20% of the global non-ferrous metals industry. In the practice of the high-standard ESG concept, the Company has achieved a number of "firsts" – for the first time releasing a carbon neutral roadmap; listed in the inaugural S&P Global Sustainability Yearbook 2023 (China); TFM released the first single ESG report and human rights report, and was the first Chinese-owned DRC mine to complete RMI (the Responsible Minerals Initiative) audit; KFM signed the first Scope Statement for Community Development; IXM released the first ESG report, and EcoVadis sustainability rating was upgraded to Gold.

Further improvement of the global governance, bringing endogenous development and cultural cohesion to a "new level". During the reporting period, CATL became the second largest shareholder of the Company, and the strategic synergy between them in the field of new energy was strengthened. The Company has built an international operation system with the characteristics of CMOC, the second phase of the "SAP" project has been successfully completed, and the digital intelligence capability has been further enhanced. The Company's talent team has been gradually formed, with the spirit of "challenging the impossible" integrated into its corporate culture. The Company has been committed to building an international image that featured with openness, honesty, objectivity, truthfulness and comprehensiveness.

LETTER TO SHAREHOLDERS

Dear Shareholders and friends who care about CMOC,

First of all, on behalf of CMOC, I would like to thank you for your long-lasting trust and support.

2023 marks a crucial and extraordinary year in the development history of CMOC. Over this year, in the face of an extremely complex external environment, we have finally solved the dispute of TFM royalties with wisdom and courage though it was a journey fraught with difficulties and dangers, which has laid a solid foundation for our long-term development in Africa, and we have also gained valuable experience in dealing with such complicated situations. Over this year, our two world-class projects, the KFM project and the TFM mixed ore project, have been successively put into production, hence a jump in our copper and cobalt production capacity, cementing our leading position among the global peers who produce metals for the new energy industry. Over this year, we have made bold moves to promote IXM's trading business upgrades and organizational restructuring; we challenged the limit to snatch at opportunities in the molybdenum and tungsten market in China; the reform of our niobium and phosphorus business in Brazil has been steadily promoted in unchartered waters; all business segments have achieved positive improvements on all fronts and the Company's operating results have reached a new record high.

It has been a full decade since we embarked on a journey of internationalization in 2013. During these ten years, from debut to center stage, we have been developing core competencies required of an international mining company, which has paved the way for our future growth into a world-class resource company. We are now facing new situation given by times: first, amid the rise of counter-globalization, resource nationalism, and the reshaping geopolitical landscape in recent years, the global supply chain has been restructured at a faster pace and enterprises are coping in an even more bewildering external environment; second, under the background of carbon peaking and carbon neutrality, ESG performance has increasingly become a mandatory indicator, and sustainable development has been treated as an important part of the core competitiveness of a mining enterprise. These situations challenge us to find a way to participate in international rivalry with a more mature mentality, more confidence, and a more open attitude.

2024 marks the 20th anniversary of CMOC's restructuring and the beginning year of internationalization 2.0. We have put forward development targets for the next five years: to achieve the second stage goal of "ramp up" of the "three-step", and to take the first step towards becoming a world-class mining company. The targets mainly include: the Company will achieve annual production volume of 800,000-1,000,000 tonnes of copper metal, 90,000-100,000 tonnes of cobalt metal, 25,000-30,000 tonnes of molybdenum metal and more than 10,000 tonnes of niobium metal; the Company will make significant improvement in international operations capability, successfully build the "5233" structure, satisfactorily complete the digitized and intelligence "SAP" project, form a distinctive feature in the international governance system, and the ESG will reach the level of the world-class enterprises. As the first year of the implementation of these targets, we must ensure a good start. In 2024, a "Refinement Year" for us, we will thoroughly implement the general approach to "improving quality, reducing costs and increasing efficiency" to achieve breakthroughs and improvements. I would like to share with you my thoughts as follows on this year's work:

Enhancing the quality of our operations to build a world-class mining company

In 2023, when dealing with the complex external environment, we focused on production on one hand and construction on the other. The two new projects TFM's mixed ore and KFM were completed and put into production as planned, resulting in a surge in production capacity. We raised the spirit of "challenging the impossible" of the CMOC employees and forged an excellent team capable of striving for excellence in difficulties. These first-rate mine projects are entirely constructed under the leadership of CMOC and have achieved designed production and met standards, fully verifying that we have the capability to develop world-class projects.

For both TFM and KFM, this year is the first year of full-load production. TFM will achieve designed production in the first quarter and meet the standard production in the second quarter. KFM will achieve stable and high production to ensure that it can produce over 520,000 tonnes of copper and over 60,000 tonnes of cobalt throughout the year. Reaching these targets will make the Company one of the top ten copper producers in the globe and the Company will remain the world's largest cobalt producer. Besides, we will compare with ourselves and benchmark our performance against industry standards to go beyond what we have achieved and create a signature of CMOC. Moreover, we will also strengthen the geological exploration work and launch the plan of additional reserves so as to prepare for the development of TFM Phase III and KFM Phase II. This year we will continue to expedite the operations in Brazil, we will diversify sources of income, enhance efficiency and reduce costs; and IXM will upgrade its business. We will guarantee high and stable production while satisfying high safety standards and achieving fine ESG performance, thereby proving that we not only excel in resources and construction, but also in management and operation.

Bolstering corporate governance to consistently build an international operating system with CMOC characteristics

Fundamentally, competition in the mining industry is all about cost which is determined by two key factors: resources and management. For a mining company, if its resources are fixed, its management will be the cardinal variable, which means people are the decisive factor. In recent years, while observing international rules and local laws and customs, we have instilled the hard-working virtue and cost control practices of Chinese mining people into our overseas production and operations, and achieved remarkable results, forming a rudimentary international operation system with CMOC characteristics. We are also well aware that, there are large gaps between us and the top-notch players in the global market in terms of resource reserves, profitability, management level and talent development, and there is a long way to cover before becoming a "respected, modern, world-class resource company". To bridge these gaps requires continual efforts to build our "5233" international governance system and development of a management approach in line with international ESG standards and tailored to the Company's actual situation.

Management is, in essence, to arouse people's initiative and creativity and minimize the weaknesses of human nature. We must continue to improve the assessment and incentive mechanism and give full play to the "one enterprise, one policy" guideline; we will promote the development of a tiered incentive mechanism and introduce special incentive measures so that from the top down employees will feel pressured and motivated and take upon their share of task and everyone will be incentivized thus achieving "sharing the results"; we will work out the second equity incentive plan in due course to enhance the long-term incentive mechanism. Meanwhile, we must also strengthen the supervision system to prevent corruption, reinforce risk prevention and control measures, and further improve the chief audit and supervisory officer system to safeguard the Company's long-term and healthy development.

Intensifying efforts to reduce costs and enhance efficiency to boost our global competitiveness

For a mining enterprise, cost is the core operational KPI, and the relentless pursuit of lower costs and higher efficiency should be deeply planted in the minds of mining people. This year, we aim to achieve an upsurge in production capacity and cost reduction, which will serve as not only the basic guarantee for sharpening the competitive advantages of the enterprise, but also an important measure for the accomplishments in the "Refinement Year". The focus of cost reduction is always on the front line of business, so we will set a target of 30% to 40% reduction for assessing our performance in cost reduction and efficiency enhancement this year and enhance the cost awareness of all staff through some policies. We will keep an eye on the cost components, diversify sources of income and reduce expenditure, and exercise caution in budgeting, so that all staff members will become cost-conscious, consumption will be decreased throughout all processes, and costs will be reduced across the board.

One small step in technology innovation means one giant leap in cost reduction and efficiency enhancement. Even the slightest improvement in a technological indicator, when measured on a world-class production capacity base, can bring significant economic benefits: USD30 million for every percentage point increase in TFM's copper recovery rate, and approximately USD6 million for every percentage point increase in the niobium recovery rate in Brazil. We still have enormous room for improvement in this area.

Digitalization and informatization tools play an important role in cost reduction and efficiency enhancement. In recent years, taking the "SAP" project as leverage, we have greatly improved our digital intelligence capabilities, which have helped us attain better management and control and higher operating efficiency, and lower costs and enhance efficiency. At present, building on the completion of two phases of the "SAP" project, we must focus on the core goal of cost reduction and efficiency enhancement in a bid to upgrade the project and raise the Company's digital capabilities to a higher level.

Quickening the expansion of resources layout to vigorously cultivate new profit growth drivers

Since last year, the violently fluctuating prices of metals for the new energy industry such as nickel, lithium and cobalt have increased the exposure of all market participants to risks, which highlight the extreme importance of timing in resource mergers and acquisitions. Fluctuations in the market are temporary, we are always highly optimistic about the resource demand brought about by our country's industrial upgrading and the global energy transformation and will continue to focus on metals for the new energy metals and important strategic metals. At present, the Company has sufficient reserves of cash and financial instruments. Currently, many mineral products have entered the market clearing stage and have been rationally priced, which has brought us better opportunities for investment and mergers and acquisitions. We need to expand our resources layout promptly.

Consolidating our leadership in ESG performance to enhance the ability to address complex situations

For a company possessing mineral resources distributed in various countries, it has to cope with complex overseas operating environments, properly handle the relationships with various stakeholders, and achieve a dynamic "rebalancing of interests" in its mining operations. Dealing with risks and challenges is normal for a mining company, but how well it addresses these risks and challenges also mirrors how internationalized it is.

The nearly two-year efforts to settle the TFM royalties dispute have greatly improved our ability to deal with complex situations; the successful settlement marks that CMOC has passed the major examination that must be taken to become a world-class resource company; by handling this dispute we have gained a deeper understanding of the value of ESG work. Our commitment to the philosophy of "responsible mining for a better world" and maximizing value for all stakeholders has proved to be our greatest strength in coping with risks and challenges and the fundamental guarantee for ensuring the long-term stability of our international operations. We must continue to improve our ESG management system, consolidate our leadership in ESG efforts at home and abroad, and build a solid moat for our Company's operations. Last year, we unveiled our carbon neutrality roadmap, and this year we have unveiled the first TCFD report. We must implement various measures to shoulder our responsibility for the cause of global carbon neutrality.

Join us on the expedition to the future. The dragon is the totem of the Chinese nation and also the symbol of the CMOC people's spirit of challenging the impossible. This year, with such spirit, CMOC people around the world will vigorously continue to integrate Chinese wisdom and Chinese technology with global resources, facilitate responsible delivery of mineral products to the world, and contribute Chinese strength to the global energy transformation.

CEO
Sun Ruiwen

I. SUMMARIZED FINANCIAL INFORMATION

Unit: Yuan Currency: RMB

Major accounting information	2023	2022	Increase or decrease as compared to last year *(%)*	2021
Operating revenue	**186,268,971,920.54**	172,990,857,221.36	7.68	173,862,586,154.82
Net profit attributable to shareholders of listed company	**8,249,711,872.51**	6,066,946,564.19	35.98	5,106,017,249.81
Net profit after deduction of non-recurring profits or losses attributable to shareholders of listed company	**6,232,811,345.95**	6,066,908,349.50	2.73	4,103,233,118.22
Net cash flow from operating activities	**15,542,003,495.74**	15,453,761,072.68	0.57	6,190,648,051.98

	At the end of 2023	At the end of 2022	Increase or decrease as compared to last year *(%)*	At the end of 2021
Net assets attributable to shareholders of listed company	**59,540,269,707.03**	51,698,562,059.68	15.17	39,845,286,626.30
Total assets	**172,974,530,702.61**	165,019,219,538.77	4.82	137,449,772,623.15

MAJOR FINANCIAL INDICATORS

Major financial indicators	**2023**	2022	Increase or decrease as compared to last year *(%)*	2021
Basic earnings per share (RMB/share)	**0.38**	0.28	35.71	0.24
Diluted earnings per share (RMB/share)	**0.38**	0.28	35.71	0.24
Basic earnings per share after deduction of non-recurring profits or losses (RMB/share)	**0.29**	0.28	3.57	0.19
Weighted average return on net assets (%)	**15.00**	13.41	increased by 1.59 percentage points	12.93
Weighted average return on net assets after deduction of non-recurring profits or losses (%)	**11.31**	13.41	decreased by 2.10 percentage points	10.39

ITEMS AND AMOUNTS OF NON-RECURRING PROFITS OR LOSSES

Items of non-recurring profits or losses	**The amount of 2023**	The amount of 2022	The amount of 2021
Profits or losses from disposal of non-current assets, including the written-off portion of provisions for asset impairment	**2,123,555,131.49**	29,128,043.33	-5,274,617.13
Government grants included in profit and loss 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 according to the determined criteria or have a continuous impact on the Company's profit or loss	**104,751,583.26**	85,350,604.54	58,214,845.39
Profit and loss of changes in fair value arising from holding of financial assets and financial liabilities by non-financial institutions and the profit and loss arising from disposal financial assets and financial liabilities, except for effective hedging activities associated with normal business operations of the Company	**355,074,065.85**	-1,684,640,006.66	-3,663,615,218.75
Capital utilization fess received from non-financial institutions included in profit or loss for the current period	**24,077,394.94**	23,307,175.31	–
Other non-operating income and expenses other than the above items	**-80,014,863.12**	-84,589,768.19	-33,359,535.00
Other profit or loss items falling within the definition of non-recurring profit or loss	**22,699,579.14**	1,697,549,933.24	4,845,052,558.31
Less: Income tax effects	**535,326,970.56**	66,688,586.86	198,826,642.76
Effects attributable to minority interests (after tax)	**-2,084,605.56**	-620,819.98	-592,741.53
Total	**2,016,900,526.56**	38,214.69	1,002,784,131.59

CONSOLIDATED BALANCE SHEET

Unit: Yuan Currency: RMB

Item	31 December 2023	31 December 2022	Increase (decrease)
Current assets:			
Cash and bank balances	**30,716,077,208.96**	32,647,565,268.28	-5.92%
Held-for-trading financial assets	**8,284,638,370.17**	4,236,792,942.19	95.54%
Derivative financial assets	**2,213,551,710.77**	1,944,853,567.32	13.82%
Accounts receivables	**1,132,003,814.45**	800,256,289.83	41.46%
Financing receivables	**260,311,068.16**	388,389,728.54	-32.98%
Prepayments	**1,181,770,447.66**	2,129,545,006.22	-44.51%
Other receivables	**4,252,138,393.05**	5,017,084,484.19	-15.25%
Including: Interests receivable	**263,164,810.93**	618,379,463.56	-57.44%
Dividends receivable	**13,108,902.07**	–	100.00%
Inventories	**31,430,496,020.23**	32,254,722,426.64	-2.56%
Non-current assets due within one year	**1,092,589,539.03**	1,757,787,239.02	-37.84%
Other current assets	**3,084,006,776.18**	4,504,795,377.38	-31.54%
Total current assets	**83,647,583,348.66**	85,681,792,329.61	-2.37%
Non-current assets:			
Long-term equity investment	**2,228,736,782.08**	1,933,910,294.77	15.25%
Other investments in equity instruments	**7,729,190.40**	14,827,558.48	-47.87%
Other non-current financial assets	**3,199,384,854.99**	3,554,476,351.83	-9.99%
Fixed assets	**35,603,658,029.61**	28,055,742,014.75	26.90%
Construction in progress	**10,621,107,850.33**	13,659,085,249.76	-22.24%
Inventories	**7,136,659,350.36**	7,001,735,495.28	1.93%
Right-of-use assets	**345,706,233.11**	264,313,360.66	30.79%
Intangible assets	**22,960,384,817.88**	19,447,513,419.29	18.06%
Goodwill	**430,141,140.73**	422,968,781.50	1.70%
Long-term prepaid expenses	**227,766,417.14**	217,666,607.09	4.64%
Deferred tax assets	**1,665,443,079.84**	1,111,487,581.86	49.84%
Other non-current assets	**4,900,229,607.48**	3,653,700,493.89	34.12%
Total non-current assets	**89,326,947,353.95**	79,337,427,209.16	12.59%
Total assets	**172,974,530,702.61**	165,019,219,538.77	4.82%

Item	**31 December 2023**	31 December 2022	Increase (decrease)
Current liabilities:			
Short-term borrowings	**24,954,249,917.03**	20,107,509,714.04	24.10%
Held-for-trading financing liabilities	**2,948,580,363.16**	3,651,811,361.47	-19.26%
Derivative financial liabilities	**1,108,796,282.04**	2,350,847,071.76	-52.83%
Notes payable	**1,142,025,881.71**	2,409,419,326.42	-52.60%
Accounts payable	**3,556,152,616.98**	1,547,305,043.03	129.83%
Contract liabilities	**2,515,301,405.33**	1,689,792,175.08	48.85%
Employee benefits payable	**1,472,512,919.45**	1,017,993,590.42	44.65%
Taxes payable	**2,118,205,384.20**	804,749,758.78	163.21%
Other payables	**4,773,801,730.98**	6,861,265,106.60	-30.42%
Including: Interests payable	**–**	234,561,190.61	-100.00%
Dividends payable	**27,885,796.67**	27,885,796.67	0.00%
Non-current liabilities due within one year	**3,769,999,779.97**	6,905,036,819.39	-45.40%
Other current liabilities	**620,646,123.74**	2,715,386,791.93	-77.14%
Total current liabilities	**48,980,272,404.59**	50,061,116,758.92	-2.16%
Non-current liabilities:			
Non-current derivative financial liabilities	**–**	230,168,848.27	-100.00%
Long-term borrowings	**18,767,717,544.93**	18,975,172,198.88	-1.09%
Bonds payable	**2,000,000,000.00**	2,150,000,000.00	-6.98%
Lease liabilities	**230,938,527.58**	209,349,065.29	10.31%
Long-term employee benefits payable	**471,660,892.08**	356,539,615.25	32.29%
Provisions	**2,837,087,652.97**	3,167,361,155.32	-10.43%
Deferred income	**38,532,783.50**	45,713,239.10	-15.71%
Deferred tax liabilities	**5,991,178,925.91**	6,092,532,551.64	-1.66%
Other non-current liabilities	**21,694,967,763.74**	21,693,849,406.96	0.01%
Total non-current liabilities	**52,032,084,090.71**	52,920,686,080.71	-1.68%
Total liabilities	**101,012,356,495.30**	102,981,802,839.63	-1.91%

Item	31 December 2023	31 December 2022	Increase (decrease)
Owners' equity (or Shareholders' equity)			
Share capital	**4,319,848,116.60**	4,319,848,116.60	0.00%
Other equity instruments	**1,000,000,000.00**	1,000,000,000.00	0.00%
Including: Perpetual bonds	**1,000,000,000.00**	1,000,000,000.00	0.00%
Capital reserve	**27,694,825,276.01**	27,681,918,087.25	0.05%
Less: Treasury shares	**1,266,543,810.15**	1,325,021,131.22	-4.41%
Other comprehensive income	**1,574,263,722.33**	294,879,708.74	433.87%
Special reserve	**140,310,748.25**	22,655,587.06	519.32%
Surplus reserve	**2,099,837,960.76**	1,684,388,527.69	24.66%
Retained profits	**23,977,727,693.23**	18,019,893,163.56	33.06%
Total equity attributable to shareholders of the parent company	**59,540,269,707.03**	51,698,562,059.68	15.17%
Minority interests	**12,421,904,500.28**	10,338,854,639.46	20.15%
Total owners' equity (or shareholders' equity)	**71,962,174,207.31**	62,037,416,699.14	16.00%
Total liabilities and owners' equity (or shareholders' equity)	**172,974,530,702.61**	165,019,219,538.77	4.82%

CONSOLIDATED INCOME STATEMENT

Unit: Yuan Currency: RMB

Item	2023	2022	Increase (decrease)
I. Total operating revenue	**186,268,971,920.54**	172,990,857,221.36	7.68%
Including: Operating revenue	**186,268,971,920.54**	172,990,857,221.36	7.68%
II. Total operating costs	**177,115,447,407.40**	162,246,417,529.62	9.16%
Including: Operating costs	**168,158,197,786.94**	156,926,248,131.67	7.16%
Taxes and levies	**3,084,375,433.21**	1,235,110,800.28	149.72%
Selling expenses	**155,415,623.44**	97,171,422.69	59.94%
Administrative expenses	**2,386,530,147.14**	1,790,812,081.35	33.27%
Research and development expenses	**327,085,170.70**	388,609,726.55	-15.83%
Financial expenses	**3,003,843,245.97**	1,808,465,367.08	66.10%
Including: Interest expenses	**4,138,052,209.88**	2,795,047,621.88	48.05%
Interest income	**1,643,253,592.10**	1,189,038,307.66	38.20%
Add: Other income	**112,142,038.86**	85,350,604.54	31.39%
Investment income (losses are indicated by "-")	**2,483,302,857.88**	725,919,489.77	242.09%
Including: Income from investments in associates and joint ventures	**374,876,198.04**	645,307,049.56	-41.91%
Gains from changes in fair value (losses are indicated by "-")	**1,680,503,555.45**	-1,610,830,289.45	204.33%
Gains from credit impairment (losses are indicated by "-")	**-3,664,369.40**	-19,677,971.29	81.38%
Gains from impairment of assets (losses are indicated by "-")	**-140,665,034.28**	-65,273,094.66	-115.5%
Gains from disposal of assets (losses are indicated by "-")	**2,834,594.73**	29,128,043.33	-90.27%
III. Operating profit (loss is indicated by "-")	**13,287,978,156.38**	9,889,056,473.98	34.37%
Add: Non-operating income	**25,173,020.39**	19,666,081.51	28.00%
Less: Non-operating expenses	**105,187,883.51**	104,255,849.70	0.89%
IV. Total profit (total loss is indicated by "-")	**13,207,963,293.26**	9,804,466,705.79	34.71%
Less: Income tax expenses	**4,677,340,664.42**	2,612,765,878.42	79.02%

Item	2023	2022	Increase (decrease)
V. Net profit (net loss is indicated by "-")	**8,530,622,628.84**	7,191,700,827.37	18.62%
(I) Classified by operation continuity:			
1. Net profit from continuing operations (net loss is indicated by "-")	**6,756,372,961.63**	7,084,625,495.13	-4.63%
2. Net profit from discontinued operations (net loss is indicated by "-")	**1,774,249,667.21**	107,075,332.24	1,557.01%
(II) Classified by ownership:			
1. Net profit attributable to shareholders of the parent company (net loss is indicated by "-")	**8,249,711,872.51**	6,066,946,564.19	35.98%
2. Profit or loss attributable to minority interests (net loss is indicated by "-")	**280,910,756.33**	1,124,754,263.18	-75.02%
VI. Other comprehensive income, net of tax	**1,447,456,637.93**	7,493,237,348.93	-80.68%
(I) Other comprehensive income attributable to shareholders of the parent company, net of tax	**1,279,384,013.59**	6,701,106,739.39	-80.91%
1. Other comprehensive income that cannot be reclassified to profit or loss	**-4,443,560.37**	-28,675,646.01	84.50%
(1) Remeasurement of changes in defined benefit plans	**880,215.69**	10,901,976.24	-91.93%
(2) Changes in fair value of other equity instrument investments	**-5,323,776.06**	-39,577,622.25	86.55%
2. Other comprehensive income that will be reclassified to profit or loss	**1,283,827,573.96**	6,729,782,385.40	-80.92%
(1) Cash flow hedge reserve	**311,627,988.37**	3,064,856,969.64	-89.83%
(2) Foreign exchange differences from translation of financial statements	**972,199,585.59**	3,664,925,415.76	-73.47%
(II) Other comprehensive income, net of tax attributable to minority shareholders	**168,072,624.34**	792,130,609.54	-78.78%
VII. Total comprehensive income	**9,978,079,266.77**	14,684,938,176.30	-32.05%
(I) Attributable to shareholders of the parent company	**9,529,095,886.10**	12,768,053,303.58	-25.37%
(II) Attributable to minority shareholders	**448,983,380.67**	1,916,884,872.72	-76.58%
VIII. Earnings per share:			
(I) Basic earnings per share (RMB/share)	**0.38**	0.28	35.71%
(II) Diluted earnings per share (RMB/share)	**0.38**	0.28	35.71%

CONSOLIDATED STATEMENT OF CASH FLOW

Unit: Yuan Currency: RMB

Item	2023	2022	Increase (decrease)
I. Cash flows from operating activities:			
Cash received from sales of goods and rendering labour services	**188,702,400,717.88**	181,115,607,819.21	4.19%
Cash received from tax refund	**220,971,353.25**	179,958,356.30	22.79%
Cash received from other operating activities	**3,543,808,317.28**	5,824,961,505.57	-39.16%
Sub-total of cash inflows from operating activities	**192,467,180,388.41**	187,120,527,681.08	2.86%
Cash paid for purchasing goods and receiving labour services	**162,817,147,360.25**	158,344,577,825.15	2.82%
Cash paid to employees and paid for employees	**3,466,771,675.00**	3,036,911,440.69	14.15%
Taxes and fees paid	**9,781,686,371.45**	9,598,244,714.12	1.91%
Cash paid for other operating activities	**859,571,485.97**	687,032,628.44	25.11%
Sub-total of cash outflow from operating activities	**176,925,176,892.67**	171,666,766,608.40	3.06%
Net cash flow from operating activities	**15,542,003,495.74**	15,453,761,072.68	0.57%
II. Cash flows from investing activities:			
Cash received from investment contribution	**4,012,517,610.49**	7,994,947,087.13	-49.81%
Cash received from investment income	**2,467,269,032.47**	1,599,113,255.66	54.29%
Net cash received from disposals of fixed assets, intangible assets and other long-term assets	**397,535,162.96**	48,037,339.88	727.55%
Net cash received from disposals of subsidiaries and other operating units	**1,010,846,451.20**	73,757,200.00	1,270.51%
Cash received from other investing activities	**596,070,181.89**	1,910,915,060.38	-68.81%
Sub-total of cash inflows from investing activities	**8,484,238,439.01**	11,626,769,943.05	-27.03%
Cash paid for acquiring or construction of fixed assets, intangible assets and other long-term assets	**12,924,398,131.61**	10,517,759,270.88	22.88%
Cash paid for acquiring investments	**5,645,523,061.67**	6,264,524,646.22	-9.88%
Cash paid for other investing activities	**573,003,513.95**	2,216,140,264.62	-74.14%
Sub-total of cash outflow from investing activities	**19,142,924,707.23**	18,998,424,181.72	0.76%
Net cash flows from investing activities	**–10,658,686,268.22**	-7,371,654,238.67	-44.59%

Item	2023	2022	Increase (decrease)
III. Cash flows from financing activities:			
Cash received from investment contribution	**–**	997,034,823.00	-100.00%
Including: Cash received from minority shareholders' investments obtained by subsidiaries	**–**	34,823.00	-100.00%
Cash received from borrowings	**71,744,175,889.11**	59,482,719,800.04	20.61%
Cash received from other financing activities	**3,150,518,801.15**	5,076,200,366.50	-37.94%
Sub-total of cash inflows from financing activities	**74,894,694,690.26**	65,555,954,989.54	14.25%
Cash repayments of borrowings	**73,908,354,465.49**	61,359,033,301.53	20.45%
Cash payments for distribution of dividends or profits or settlement of interest expenses	**6,762,255,256.09**	4,791,671,968.37	41.13%
Including: Dividends paid by subsidiaries to minority shareholders	**491,655,500.00**	–	100.00%
Cash paid for other financing activities	**2,830,552,523.09**	1,501,795,631.15	88.48%
Sub-total of cash outflow from financing activities	**83,501,162,244.67**	67,652,500,901.05	23.43%
Net cash flow from financing activities	**–8,606,467,554.41**	-2,096,545,911.51	-310.51%
IV. Effect of exchange rate changes on cash and cash equivalents	**796,365,652.48**	2,667,296,884.74	-70.14%
V. Net increase in cash and cash equivalents	**–2,926,784,674.41**	8,652,857,807.24	-133.82%
Add: Balance of cash and cash equivalents at the beginning of the year	**29,045,548,650.93**	20,392,690,843.69	42.43%
VI. Balance of cash and cash equivalents at the end of the year	**26,118,763,976.52**	29,045,548,650.93	-10.08%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. NEW ACCOUNTING REQUIREMENTS APPLIED IN THE CURRENT YEAR

The Interpretation No. 16 of the Accounting Standards for Business Enterprises (the "**Interpretation No. 16**") was issued by the Ministry of Finance on 30 November 2022, which clarified the accounting treatment that the exemption of initial recognition shall not apply to the deferred income tax relating to assets and liabilities arising from a single transaction. Interpretation No. 16 revised the coverage of the exemption of initial recognition of deferred income tax in the Accounting Standards for Business Enterprises No. 18 – Income Tax, and specified that the relevant provisions on the exemption of initial recognition of deferred tax liabilities and deferred tax assets are not applicable to a single transaction (not a business combination) that affects neither the accounting profit nor taxable income (or deductible losses) at the time of transaction, and where the assets and liabilities initially recognized generate equal taxable temporary differences and deductible temporary differences. The Interpretation became effective from 1 January 2023 and could be early applied. The Group has implemented the Interpretation since 1 January 2023.

Upon assessment, the Group considers that the adoption of the Interpretation has no significant impact on the financial statements of the Group.

2. FINANCING RECEIVABLES

RMB

Category	**31 December 2023**	31 December 2022
Notes receivable	**260,311,068.16**	388,389,728.54
Including: Bank acceptances	**260,311,068.16**	388,389,728.54
Total	**260,311,068.16**	388,389,728.54

Part of notes receivable are discounted or endorsed by the Group in accordance with the daily fund requirement, and classified as financial assets at FVTOCI.

As at 31 December 2023, the Group measures bad debt provision at lifetime ECL. The Group considers that there is minor possibility of significant loss arising from the default of banks, therefore it has no significant credit risk on bank acceptances.

(1) Financing receivables endorsed or discounted and not yet matured of the Group at balance sheet date at the end and beginning of the year respectively are as follows:

RMB

Category	**Amount derecognized at the end of 2023**	Amount derecognized at the end of 2022
Bank acceptances	**2,311,782,673.46**	2,134,119,780.31
Total	**2,311,782,673.46**	2,134,119,780.31

(2) As at 31 December 2023, the amount of financing receivables of the Group pledged to issue notes payable is RMB234,755,241.41 (2022: RMB255,797,055.59).

3. ACCOUNTS RECEIVABLE

(1) Disclosure by aging

RMB

Aging	31 December 2023 Accounts receivable	Loss allowance	Proportion (%)
Within 1 year	**1,176,353,599.92**	**44,995,130.13**	**3.82**
1-2 years	**602,954.78**	**69,694.48**	**11.56**
2-3 years	**268,431.20**	**156,346.84**	**58.24**
Over 3 years	**20,016,173.85**	**20,016,173.85**	**100.00**
Total	**1,197,241,159.75**	**65,237,345.30**	**5.45**

RMB

Aging	31 December 2022 Accounts receivable	Loss allowance	Proportion (%)
Within 1 year	818,672,585.69	35,816,949.44	4.38
1-2 years	19,540,745.67	2,164,593.52	11.08
2-3 years	59,384.78	34,883.35	58.74
Over 3 years	20,636,571.91	20,636,571.91	100.00
Total	858,909,288.05	58,652,998.22	6.83

(2) Credit risk of accounts receivable

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 recognizes the expected credit loss allowance for accounts receivable based on impairment matrix.

RMB

	31 December 2023				31 December 2022			
Internal credit rating	Expected average loss rate	Book balance	Loss allowance	Book value	Expected average loss rate	Book balance	Loss allowance	Book value
Low risk	**0.08%**	**287,944,020.37**	**238,399.95**	**287,705,620.42**	0.09%	417,676,924.84	390,328.82	417,286,596.02
Normal	**2.83%**	**846,020,079.27**	**23,965,445.14**	**822,054,634.13**	2.59%	158,382,584.69	4,103,048.24	154,279,536.45
Attention	**9.86%**	**1,329,703.51**	**131,088.10**	**1,198,615.41**	6.86%	228,194,762.60	15,664,851.04	212,529,911.56
Doubtful (impaired)	**44.79%**	**38,114,673.43**	**17,069,728.94**	**21,044,944.49**	52.50%	34,018,444.02	17,858,198.22	16,160,245.80
Loss (impaired)	**100.00%**	**23,832,683.17**	**23,832,683.17**	**–**	100.00%	20,636,571.90	20,636,571.90	–
Total		**1,197,241,159.75**	**65,237,345.30**	**1,132,003,814.45**		858,909,288.05	58,652,998.22	800,256,289.83

The above 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 the Group's evaluation approach and significant assumption in 2023 and 2022.

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

	RMB
	Lifetime ECL
1 January 2023	58,652,998.22
Provision of ECL for the year	5,523,776.38
Reversal of ECL for the year	(1,859,406.98)
Changes in exchange rate	2,919,977.68
31 December 2023	65,237,345.30

(4) Top five accounts receivable balances at the end of each reporting period based on debtors:

RMB

Name of entity	**Amount**	**Proportion of the amount to the total accounts receivable** *(%)*	**Credit impairment loss**
31 December 2023			
HK Brunp Resource Recycling Technology Co. Limited	**520,744,775.10**	**43.50**	**–**
Company BM	**66,762,937.67**	**5.58**	**6,545,970.28**
Company BA	**64,929,560.74**	**5.42**	**1,645,574.79**
Company BC	**25,319,670.63**	**2.11**	**30,957.12**
Company BN	**22,563,085.46**	**1.88**	**29,168.26**
Total	**700,320,029.60**	**58.49**	**8,251,670.45**

RMB

Name of entity	**Amount**	**Proportion of the amount to the total accounts receivable** *(%)*	**Credit impairment loss**
31 December 2022			
Company B	94,479,430.46	11.00	109,806.26
Company BA	74,652,318.58	8.69	86,762.72
Company BB	42,797,049.62	4.98	429,101.19
Company BC	39,448,979.65	4.59	1,002,964.88
Company BD	33,798,846.29	3.94	39,281.83
Total	285,176,624.60	33.20	1,667,916.88

4. PREPAYMENTS

(1) Disclosure of prepayments by aging

RMB

Aging	31 December 2023 Amount	31 December 2023 Proportion (%)	31 December 2022 Amount	31 December 2022 Proportion (%)
Within 1 year	**1,154,734,879.55**	**97.71**	2,111,763,603.37	99.17
1-2 years	**24,879,900.40**	**2.11**	15,643,210.42	0.73
2-3 years	**–**	**–**	1,894,588.39	0.09
Over 3 years	**2,155,667.71**	**0.18**	243,604.04	0.01
Total	**1,181,770,447.66**	**100.00**	2,129,545,006.22	100.00

(2) Top five of prepayments balances at the end of the year based on receivers

RMB

31 December 2023 Name of entity	Amount	Proportion of the amount to the total prepayments (%)	31 December 2022 Name of entity	Amount	Proportion of the amount to the total prepayments (%)
Company BO	**118,776,483.08**	**10.05**	Company BE	169,594,265.25	7.96
Company BP	**68,673,427.44**	**5.81**	Company BF	125,347,717.30	5.89
Company P	**52,558,942.84**	**4.45**	Company BG	104,591,145.10	4.91
Company BH	**50,562,000.01**	**4.28**	Company G	97,945,710.24	4.60
Company G	**46,621,803.43**	**3.95**	Company BH	73,201,128.00	3.44
Total	**337,192,656.80**	**28.54**	Total	570,679,965.89	26.80

5. RETAINED PROFITS

RMB

Item	31 December 2023	31 December 2022
Retained profits at the beginning of current year	**18,019,893,163.56**	13,698,308,770.45
Add: Net profit attributable to shareholders of the parent company for the year	**8,249,711,872.51**	6,066,946,564.19
Less: Appropriation to statutory surplus reserve *(Note 1)*	**415,449,433.07**	221,017,571.04
Ordinary shares dividends payable *(Note 2)*	**1,820,227,909.77**	1,524,344,600.04
Perpetual bonds dividends payable *(Note 3)*	**56,200,000.00**	–
Retained profits at the end of current year	**23,977,727,693.23**	18,019,893,163.56

Note 1: In accordance with the relevant laws and regulations of the PRC, the Company appropriates the statutory surplus reserve at 10% of the net profit of 2023, totaling RMB415,449,433.07 (2022: RMB221,017,571.04).

Note 2: Cash dividend has been approved at the annual general meeting during the current year.

As resolved at the Company's 2022 annual general meeting on 9 June 2023, the Company distributed to all shareholders a cash dividend of RMB0.8508 per 10 shares (tax inclusive), totaling RMB1,820,227,909.77 (2022: RMB1,524,344,600.04).

Profit distribution declared after the balance sheet date.

According to a proposal of the Board, the Company proposed a distribution of a cash dividend to all shareholders at RMB1.5425 per 10 shares (tax inclusive) in 2023 (2022: RMB0.8508 per 10 shares (tax inclusive)), on the basis of 21,394,310,176 issued shares (net of the number of shares in the Company's dedicated repurchase account) (with par value of RMB0.2 per share).

Note 3: 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. During the current year, the Company distributed a dividend totaling RMB56,200,000.00 to bond investors.

6. DIVIDENDS

Implementation of the cash dividend policy

The 2022 annual general meeting of the Company convened on 9 June 2023 reviewed and approved the 2022 annual profit distribution plan for a cash dividend of RMB0.8508 per 10 shares (tax inclusive). Subsequently, a total cash dividend of RMB1,820,227,909.77 (tax inclusive) was distributed to the Shareholders based on the total share capital of the Company of 21,599,240,583 shares prior to the implementation of the plan, excluding the 204,930,407 A shares of the Company in the Company's dedicated repurchase securities account. The cash dividend distribution had been completed during the Reporting Period.

7. OPERATING REVENUE AND OPERATING COSTS

(1) Operating revenue (by business category)

RMB

Item	**2023**		2022	
	Revenue	**Costs**	Revenue	Costs
Principal operating activities	**185,980,661,358.67**	**167,893,798,728.84**	172,682,807,359.00	156,634,041,102.69
Other operating activities	**288,310,561.87**	**264,399,058.10**	308,049,862.36	292,207,028.98
Total	**186,268,971,920.54**	**168,158,197,786.94**	172,990,857,221.36	156,926,248,131.67

(2) Principal operating activities (by products)

RMB

	2023		2022	
Name of products	**Operating revenue**	**Operating costs**	Operating revenue	Operating costs
Molybdenum and tungsten related products	**8,611,050,600.20**	**4,860,031,543.84**	6,965,368,091.42	4,020,610,663.20
Niobium and phosphate related products	**6,324,032,238.92**	**4,714,605,946.47**	7,368,147,038.65	4,566,124,333.17
Copper and cobalt related products	**28,000,921,415.43**	**17,665,317,074.20**	9,748,225,331.68	5,183,855,582.32
Copper and gold related products	**1,581,973,794.18**	**1,245,985,769.74**	1,292,786,434.09	1,042,987,983.36
Concentrates metal trading	**44,278,866,267.80**	**43,548,982,414.97**	39,916,885,676.01	38,361,690,395.27
Refined metal trading	**97,183,718,131.99**	**95,858,783,993.36**	107,391,189,099.50	103,458,581,035.47
Others	**98,910.15**	**91,986.26**	205,687.65	191,109.90
Total	**185,980,661,358.67**	**167,893,798,728.84**	172,682,807,359.00	156,634,041,102.69

(3) Performance obligation

Sales of goods and metal trading:

The Group sells its self-produced mineral products including molybdenum, tungsten, niobium, phosphate, copper, cobalt and gold, as well as trading mineral products such as copper, lead and zinc concentrates and refined metals of copper, lead and zinc to customers. In general, relevant contracts for the sales of goods will only contain one performance obligation, i.e., delivery of goods. The consideration for sales of products is determined based on the price agreed in the sales contract. Revenue is recognized upon transfer of control of relevant goods to the client. At the same time, the Group conducts business by way of prepayment or credit sales according to the credit status of the counterparty.

Metal streaming trading:

In respect of the Group's metal streaming trading, the Group collects the amount of sale of goods (gold, silver and other mineral products) in advance from customers, and first recognizes such amount as a liability (contract liabilities and other non-current liabilities – metal streaming trading contract liabilities), which is then recognized as income when the relevant performance obligations are fulfilled, that is, when the control of goods is transferred to the customer. Where there is a significant financing element in such metal streaming trading contract, the transaction price is determined by the Group on the basis of the assumption that the customer will pay the amount payable in cash as soon as obtaining the control of the goods when the metal streaming trading contract is signed, and the difference between the transaction price and the contract consideration is amortised using the effective interest method over the contract period.

Where there is a variable consideration in the contract, the Group shall determine the best estimate of the variable consideration according to the mineral reserves, the timing and quantity of the expected goods delivery, and the predicted market price of the goods. The transaction price that contains variable consideration shall not exceed the amount where the cumulative recognized income is much more unlikely reversed when the relevant uncertainties are eliminated. At each asset balance sheet date, the Group will re-estimate the amount of variable consideration which shall be included in the transaction price.

Income from hotel services:

The Group renders room service and catering service to and receive income from clients through its own hotels, and revenue relating to room service is recognized in the period when client receives and consumes relevant services, while revenue related to catering service is recognized at the time when the client obtains control of the relevant goods.

Other income:

The Group also sells ancillary materials such as waste materials to customers. In general, relevant contracts on the sales of products solely contain one performance obligation, i.e., delivery of goods. Relevant revenue is recognized upon transfer of control of the relevant product to the client. The consideration for sales of products is determined based on the fixed price agreed in the sales contract.

A performance obligation refers to the commitment of the Group to the client in the contract that transfers goods or services which is identifiable.

8. FINANCIAL EXPENSES

RMB

Item	2023	2022
Interest expenses on bonds	**88,877,431.73**	160,152,211.17
Interest expenses on lease liabilities	**34,315,770.43**	14,155,868.23
Bank loans and other interest expenses	**3,646,014,948.54**	2,508,544,973.03
Metal streaming financing costs	**368,844,059.18**	112,194,569.45
Total interest expenses	**4,138,052,209.88**	2,795,047,621.88
Less: Interest income	**1,643,253,592.10**	1,189,038,307.66
Exchange differences	**223,809,616.04**	128,024,089.36
Gold lease charges	**6,310,860.10**	12,167,370.39
Others	**278,924,152.05**	62,264,593.11
Total	**3,003,843,245.97**	1,808,465,367.08

9. INVESTMENT INCOME

RMB

Item	2023	2022
Gain on long-term equity investment under equity method	**374,876,198.04**	645,307,049.56
Investment income from holding held-for-trading financial assets	**–**	75,482.70
Investment income from holding other non-current financial assets	**18,311,395.31**	59,023,405.87
Investment income from disposal of subsidiaries *(Note 1)*	**2,120,720,536.76**	52,011,903.43
Others	**(30,605,272.23)**	(30,498,351.79)
Total	**2,483,302,857.88**	725,919,489.77

There are no significant restrictions on remittance of investment income of the Group.

Note 1: On 5 December 2023, the Company entered into an Equity Transfer Agreement with Evolution, a third party, pursuant to which the Company shall transfer 100% equity in CMOC Mining and CMOC Metals held by at the consideration of USD755,999,999 (equivalent to RMB5,297,650,220.27) and USD1 (equivalent to RMB7.02) respectively, and make an additional payment of USD22,000,000 (equivalent to RMB154,164,424.60) by Evolution as a working capital adjustment to the consideration of 100% equity of CMOC Mining, amounting to USD778,000,000 (equivalent to RMB5,451,814,651.89), of which includes the loans of USD80,000,000 (equivalent to RMB561,892,000.00) and dividends of USD122,000,000 (equivalent to RMB856,885,300.00) repaid by Evolution to the Group on behalf of CMOC Mining, therefore, the disposal price of this equity is USD576,000,000 (equivalent to RMB4,033,037,351.89). The equity has been delivered on 15 December 2023.

In addition, the Company has agreed with Evolution that, for the period from 1 July 2024 to 30 June 2027, the contingent consideration shall be calculated based on sales revenue of copper mines generated from NPM Copper and Gold Mine under CMOC Mining (based on CMOC Mining's 80% equity interest in NPM), with reference to the criteria agreed between the Company and Evolution. As at the closing date of the equity transfer, the Company assessed the fair value of the contingent consideration and considered it to be immaterial.

10. INCOME TAX EXPENSES

(1) Statement of income tax expenses

RMB

Item	2023	2022
Current tax expenses calculated according to tax laws and relevant requirements	**5,172,316,109.28**	3,206,035,984.64
Differences arising on settlement of income tax for the previous year	**446,343,790.77**	64,839,105.05
Adjustments to deferred income tax	**(941,319,235.63)**	(658,109,211.27)
Total	**4,677,340,664.42**	2,612,765,878.42

(2) Reconciliation of income tax expenses to the accounting profit is as follows:

RMB

	2023	2022
Accounting profit	**13,207,963,293.26**	9,804,466,705.79
Income tax expenses calculated at 15% (2022: 15%)	**1,981,194,493.99**	1,470,670,005.87
Tax impact of non-deductible expenses	**289,982,919.36**	68,978,876.23
Tax impact of items such as tax-free income/extra deductible expenses	**(363,305,580.42)**	(351,561,772.11)
Tax impact of utilizing deductible loss and deductible temporary difference previously not recognized	**(7,209,426.48)**	(622,779.30)
Tax impact of unrecognized deductible loss and deductible temporary difference	**3,591,919.40**	4,660,276.29
Exchange rate impact of non-monetary items and tax impact of corporate restructuring	**(67,493,319.66)**	(71,286,637.30)
Deductible losses arising from tax return	**28,897,754.07**	64,979,731.97
Impact of different tax rate in subsidiaries in other jurisdictions	**2,365,338,113.39**	1,298,530,815.90
Differences arising on settlement of income tax for the previous year	**446,343,790.77**	64,839,105.05
Withholding income tax on dividends from subsidiaries	**–**	63,578,255.82
Total	**4,677,340,664.42**	2,612,765,878.42

11. CALCULATION PROCESS OF BASIC EARNINGS PER SHARE AND DILUTED EARNINGS PER SHARE

In calculating basic earnings per share, the net profit for the current period attributable to ordinary shareholders is as follows:

	2023	2022
		RMB
Net profit attributable to ordinary shareholders for the current period	**8,249,711,872.51**	6,066,946,564.19

In calculating basic earnings per share, the cash dividends for holders of restricted shares expected to be unlocked in the future are:

	2023	2022
		RMB
Cash dividends for holders of restricted shares expected to be unlocked in the future	**58,477,321.07**	51,335,885.06

In calculating basic earnings per share, the denominator is the weighted average number of the issued and outstanding ordinary shares and its calculation process is as follows:

	2023	2022
Number of ordinary shares issued at the beginning of the year	**21,358,100,875**	21,450,727,332
Less: Weighted average number of ordinary shares repurchased during the year	**–**	58,821,517
Add: Weighted average number of restricted shares unlocked during the period	**7,276,993**	6,151,993
Weighted average number of ordinary shares issued at the end of the year	**21,365,377,868**	21,398,057,808

Earnings per share:

	2023	2022
		RMB
Calculated based on net profit attributable to shareholders of the parent company:		
Basic earnings per share	**0.38**	0.28
Diluted earnings per share	**0.38**	0.28

II. FINANCIAL REVIEW

During the reporting period, the Company's net profit increased from RMB7,192 million in 2022 to RMB8,531 million, increased by RMB1,339 million or 18.62%. Among them: net profit attributable to shareholders of the parent company amounted to RMB8,250 million, representing an increase of RMB2,183 million or 35.98% from RMB6,067 million in 2022. This was mainly due to the year-on-year increase in sales volume of copper and cobalt, our major products, during the period, and the investment income from the disposal of Australia business during the year.

(1) Principal Businesses by Industry, Product and Region

Unit: Yuan Currency: RMB

Principal businesses by industry						
By industry	Operating revenue	Operating costs	Gross profit margin (%)	Increase or decrease in operating revenue as compared to last year (%)	Increase or decrease in operating cost as compared to last year (%)	Increase or decrease in gross profit margin as compared to last year (%)
Mineral exploration and processing	44,517,978,048.73	26,486,438,037.67	40.50	75.44	78.80	Decreased by 1.12 percentage points
Mineral trading *(Note)*	168,077,934,918.62	166,023,116,927.16	1.22	5.67	5.37	Increased by 0.28 percentage point
Others	98,910.15	91,986.26	7.00	-51.91	-51.87	Decreased by 0.09 percentage point
Offset by intra-group transactions	-26,615,350,518.83	-24,615,848,222.25				

By product	Operating revenue	Operating costs	Gross profit margin (%)	Increase or decrease in operating revenue as compared to last year (%)	Increase or decrease in operating cost as compared to last year (%)	Increase or decrease in gross profit margin as compared to last year (%)
			Principal businesses by product			
Mineral exploration and processing						
Molybdenum	7,130,780,647.01	4,261,166,721.10	40.24	28.14	21.85	Increased by 3.08 percentage points
Tungsten	1,480,269,953.19	598,864,822.74	59.54	5.70	14.37	Decreased by 3.07 percentage points
Copper (NPM free)	24,595,113,783.03	13,453,322,130.50	45.30	308.41	198.26	Increased by 20.20 percentage points
Cobalt	3,405,807,632.40	2,145,475,706.81	37.01	-8.59	218.68	Decreased by 44.92 percentage points
Niobium	2,628,238,524.48	1,734,671,310.93	34.00	2.61	13.81	Decreased by 6.49 percentage points
Phosphate	3,695,793,714.44	3,046,951,575.85	17.56	-23.11	0.16	Decreased by 19.16 percentage points
Copper and gold (NPM)	1,581,973,794.18	1,245,985,769.74	21.24	22.37	19.46	Increased by 1.92 percentage points
Mineral trading						
Concentrates metal trading	44,278,866,267.80	43,548,982,414.97	1.65	10.93	13.52	Decreased by 2.25 percentage points
Refined metal trading	123,799,068,650.82	122,474,134,512.19	1.07	3.91	2.75	Increased by 1.12 percentage points
Others	98,910.15	91,986.26	7.00	-51.91	-51.87	Decreased by 0.09 percentage point
Offset by intra-group transactions	-26,615,350,518.83	-24,615,848,222.25				

By region	Operating revenue	Operating costs	Gross profit margin (%)	Increase or decrease in operating revenue as compared to last year (%)	Increase or decrease in operating cost as compared to last year (%)	Increase or decrease in gross profit margin as compared to last year (%)
			Principal businesses by region			
Mineral exploration and processing						
China	8,611,050,600.20	4,860,031,543.84	43.56	23.63	20.88	Increased by 1.28 percentage points
Australia	1,581,973,794.18	1,245,985,769.74	21.24	22.37	19.46	Increased by 1.92 percentage points
Brazil	6,324,032,238.92	4,781,622,886.78	24.39	-14.17	4.72	Decreased by 13.64 percentage points
DRC	28,000,921,415.43	15,598,797,837.31	44.29	187.24	200.91	Decreased by 2.53 percentage points
Mineral trading *(Note)*						
China	50,580,696,710.71	50,089,349,153.61	0.97	22.95	38.85	Decreased by 11.34 percentage points
Overseas	117,497,238,207.91	115,933,767,773.55	1.33	-0.35	-4.57	Increased by 4.36 percentage points
Others						
China	98,910.15	91,986.26	7.00	-51.91	-51.87	Decreased by 0.09 percentage point
Offset by intra-group transactions	-26,615,350,518.83	-24,615,848,222.25				

Note: IXM engages in metal trading business that combines futures and spot trading. The Group only included the corresponding cost of the trading inventories of 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 1.99%.

(2) Analysis of Production and Sales Volume

Principal products	Unit	Production volume	Sales volume	Inventory volume	Increase or decrease of production volume as compared to last year *(%)*	Increase or decrease of sales volume as compared to last year *(%)*	Increase or decrease of inventory volume as compared to last year *(%)*
Mineral exploration and processing *(Note 1)*							
Copper	Tonnes	393,987	389,791	139,769	54.94	125.19	3.10
Cobalt	Tonnes	55,526	29,733	37,111	173.71	62.02	227.89
Molybdenum	Tonnes	15,635	15,580	815	3.45	-2.89	7.14
Tungsten	Tonnes	7,975	7,871	1,074	6.20	1.64	10.65
Niobium	Tonnes	9,515	9,378	831	3.29	3.00	19.77
Phosphate fertilizer *(Note 2)*	Tonnes	1,168,222	1,163,521	111,054	2.28	0.53	23.43
Copper (80% equity interest of NPM)	Tonnes	25,550	24,880	N/A	12.53	13.78	N/A
Gold (80% equity interest of NPM)	Ounces	18,772	17,239	N/A	15.73	6.80	N/A

	Unit	Purchase volume	Sales volume	Inventory volume	Increase or decrease of purchase volume as compared to last year *(%)*	Increase or decrease of sales volume as compared to last year *(%)*	Increase or decrease of inventory volume as compared to last year *(%)*
Mineral trading							
Concentrate products *(Note 3)*	Tonnes	2,744,524	2,729,906	352,211	-13.85	-12.44	4.33
Refined metal products *(Note 4)*	Tonnes	3,124,054	3,182,325	446,841	0.27	1.46	-11.54

Description of production and sales volume:

Note 1: The production volume in the mining and processing sector of the mines is the self-production data of mines of the Company; the sales volume is the final realized external sales volume; and the inventory volume includes the self-production data of mines of the Company and the inventory volume of self-production held by the trading platforms within the Group.

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

Note 3: It represents the primary products of metal minerals, which are mainly the concentrates.

Note 4: Refined metals and chemical products.

Note 5: Production volume of NPM copper metal and gold in 2023 recorded as of the delivery date (15 December 2023).

(3) Component of Cost of Principal Products

Unit: Thousand Yuan Currency: RMB

By industry

By industry	Component of cost	Amount for the current year	Percentage over total cost for the current year (%)	Amount for last year	Percentage over total cost for last year (%)	Percentage of changes in amount as compared to last year (%)	Explanation
Mineral exploration and processing	Materials	11,864,121	48.67	8,926,135	48.24	32.91	
	Labour	2,365,153	9.70	1,661,350	8.98	42.36	
	Depreciation	4,016,310	16.48	4,219,702	22.80	-4.82	
	Energy	1,772,659	7.27	918,615	4.96	92.97	
	Manufacturing fees	4,357,689	17.88	2,779,339	15.02	56.79	
Mineral trading	Purchase cost	166,816,967	100.00	157,913,251	100.00	5.64	

By product

By product	Component of cost	Amount for the current year	Percentage over total cost for the current year (%)	Amount for last year	Percentage over total cost for last year (%)	Percentage of changes in amount as compared to last year (%)	Explanation
Mineral exploration and processing							
Molybdenum related products	Materials	914,653	34.89	935,637	38.99	-2.24	
	Labour	377,597	14.40	279,981	11.67	34.87	
	Depreciation	301,343	11.49	188,683	7.86	59.71	Year-on-year increase in tailings pond depreciation
	Energy	324,168	12.36	266,486	11.10	21.65	
	Manufacturing fees	703,958	26.85	728,998	30.38	-3.43	
Tungsten related products	Materials	228,429	49.68	254,286	51.37	-10.17	
	Labour	91,165	19.83	76,071	15.37	19.84	
	Depreciation	37,648	8.19	33,633	6.79	11.94	
	Energy	55,784	12.13	52,068	10.52	7.14	
	Manufacturing fees	46,745	10.17	78,956	15.95	-40.80	
Copper related products	Materials	7,403,475	56.03	5,109,019	55.23	44.91	KFM Phase I, TFM mixed ore central-zone project put into production
	Labour	1,022,722	7.74	593,097	6.41	72.44	
	Depreciation	2,310,553	17.49	2,855,098	30.87	-19.07	
	Energy	950,651	7.19	307,349	3.32	209.31	
	Manufacturing fees	1,526,078	11.55	385,436	4.17	295.94	

By product	Component of cost	Amount for the current year	Percentage over total cost for the current year (%)	Amount for last year	Percentage over total cost for last year (%)	Percentage of changes in amount as compared to last year (%)	Explanation
Cobalt related products	Materials	1,615,472	74.93	620,584	73.76	160.31	KFM Phase I, TFM mixed ore central-zone project put into production
	Labour	84,115	3.90	25,109	2.98	235.00	
	Depreciation	206,637	9.58	133,781	15.90	54.46	
	Energy	122,900	5.70	30,587	3.64	301.80	
	Manufacturing fees	126,780	5.88	31,292	3.72	305.15	
Niobium related products	Materials	508,391	28.81	503,886	31.45	0.89	
	Labour	191,940	10.88	160,769	10.03	19.39	
	Depreciation	413,242	23.42	396,751	24.76	4.16	
	Energy	51,361	2.91	57,054	3.56	-9.98	
	Manufacturing fees	599,423	33.97	483,812	30.20	23.90	
Phosphate related products	Materials	1,035,873	35.15	1,307,964	44.44	-20.80	
	Labour	397,178	13.48	343,532	11.67	15.62	
	Depreciation	341,861	11.60	292,828	9.95	16.74	
	Energy	83,421	2.83	88,028	2.99	-5.23	
	Manufacturing fees	1,088,649	36.94	910,999	30.95	19.50	
Copper and gold related products	Materials	157,828	13.00	194,759	20.01	-18.96	
	Labour	200,436	16.51	182,791	18.78	9.65	
	Depreciation	405,026	33.37	318,927	32.77	27.00	
	Energy	184,374	15.19	117,043	12.02	57.53	Year-on-year increase in unit price of electricity contracts
	Manufacturing fees	266,056	21.92	159,846	16.42	66.45	Year-on-year increase in outsourcing services
Mineral trading							
Concentrate products	Purchase cost	43,548,982	26.11	38,361,690	24.29	13.52	
Refined metal products	Purchase cost	123,267,985	73.89	119,551,561	75.71	3.11	

Research and Development Expenses

For the year ended 31 December 2023, research and development expenses of the Group amounted to approximately RMB327.09 million, representing a decrease of approximately RMB61.52 million or 15.83% from approximately RMB388.61 million for the same period in 2022, mainly due to a year-on-year decrease in research and development investment during the period.

Financial Expenses

For the year ended 31 December 2023, the financial expenses of the Group amounted to approximately RMB3,003.84 million, representing an increase of approximately RMB1,195.37 million or 66.10% from approximately RMB1,808.47 million for the same period in 2022, mainly due to a year-on-year increase in interest expenses during the period.

Investment Income

For the year ended 31 December 2023, the investment income of the Group amounted to approximately RMB2,483.30 million, representing an increase of approximately RMB1,757.38 million or 242.09% from approximately RMB725.92 million for the same period in 2022, mainly due to an increase in investment income as a result of disposal of Australian business during the period.

Gains from Changes in Fair Value

For the year ended 31 December 2023, gains from changes in fair value of the Group amounted to RMB1,680.50 million, representing an increase of approximately RMB3,291.33 million or 204.33% from approximately RMB-1,610.83 million for the same period in 2022, mainly due to a year-on-year increase in changes in fair value of derivative financial instruments of the base metal trading business during the period.

Financial Position

As at 31 December 2023, the total assets of the Group amounted to approximately RMB172,974.53 million, comprising non-current assets of approximately RMB89,326.95 million and current assets of approximately RMB83,647.58 million. Equity attributable to shareholders of the parent company increased by approximately RMB7,841.71 million or 15.17% to approximately RMB59,540.27 million as at 31 December 2023 from approximately RMB51,698.56 million as at 31 December 2022.

Current Assets

The current assets of the Group decreased by approximately RMB2,034.21 million or 2.37% to approximately RMB83,647.58 million as at 31 December 2023 from approximately RMB85,681.79 million as at 31 December 2022.

Non-current Assets

The non-current assets of the Group increased by approximately RMB9,989.52 million or 12.59% to approximately RMB89,326.95 million as at 31 December 2023 from approximately RMB79,337.43 million as at 31 December 2022.

Current Liabilities

The current liabilities of the Group decreased by approximately RMB1,080.85 million or 2.16% to approximately RMB48,980.27 million as at 31 December 2023 from approximately RMB50,061.12 million as at 31 December 2022.

Non-current Liabilities

The non-current liabilities of the Group decreased by approximately RMB888.61 million or 1.68% to approximately RMB52,032.08 million as at 31 December 2023 from approximately RMB52,920.69 million as at 31 December 2022.

RISK WARNING

(I) Mining Business Units

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 greater pressure on the Company's operating results.

The Company consolidates the competitiveness of low cost and improve 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 primary operation of the Company locates in various countries and regions including China, DRC and Brazil. As there are major discrepancies in state politics, economy development level and social structures among different countries, deepening global resource nationalism, the change of government and 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; and keeps 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 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.

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 CMOC Group 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. IXM manages market risk for trading activities 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, IXM also applies various other controls like metal concentration limits, nominal volume limits in some illiquid markets, and frequent stress testing of portfolio.

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 the group'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 the group 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

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.

EMPLOYEES AND PENSION PLAN

1. Employees

As at 31 December 2023, the Group had a total of 11,995 full-time employees, classified as follows:

Professional composition

Category of professional composition	**Number of professionals**
Production staff	7,146
Technical staff	975
Finance staff	358
Administration staff	1,355
Sales staff	2,161
Total	11,995

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 employee's 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 welfares 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% to 10%, 0.5% to 0.7%, 0.16% to 1.43% and 7% to 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 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".

ANALYSIS ON MAJOR SUBSIDIARIES

Basic information of major subsidiaries

Company name	Principal business	Shareholding method	Shareholding proportion
TF Holdings Limited	TFM copper and cobalt mine assets/business	Indirect	80%
KFM Holding Limited	KFM copper and cobalt mine assets/business	Indirect	71.25%
CMOC Brasil	Niobium and phosphates mine assets/business	Indirect	100%
IXM	Trading business	Indirect	100%

Financial Indicators of Major Subsidiaries during the Reporting Period

Unit: Yuan Currency: RMB

Company name	Operating revenue	Operating profit	Net profit attributable to shareholders of the parent company	Total assets	Net assets
TF Holdings Limited	22,840,948,357.59	5,036,690,273.27	1,940,187,579.78	74,266,556,514.07	42,617,916,048.00
KFM Holding Limited	8,143,615,270.64	3,404,807,526.94	1,657,755,825.50	16,721,918,441.41	4,019,283,993.17
CMOC Brasil	6,311,246,918.82	1,068,228,831.98	986,636,386.85	12,687,339,379.67	8,441,323,585.24
IXM	169,368,128,531.52	1,178,991,743.47	913,294,852.36	37,257,353,185.09	7,661,638,400.29

RESOURCES AND RESERVE

1. BASIC INFORMATION OF PROPRIETARY MINES

As at 31 December 2023, the information about the Company's ore resources and ore reserves is as follows:

Name of mine	Main category	Resources			Reserves			Ore throughput for the year	Remaining years of mining life for the resources	Validity period of the license/mining right
		Ore *(mt)*	Grade *(%)*	Metal *('0,000 tonnes)*	Ore *(mt)*	Grade *(%)*	Metal *('0,000 tonnes)*	*(mt)*	*(years)*	
TFM Copper and Cobalt Mine in the DRC	Copper	1,363.08	2.25	3,063.11	264.91	2.83	749.83	12.5	17	2-11 years
	Cobalt	1,363.08	0.25	334.12	264.91	0.29	77.13			
KFM Copper and Cobalt Mine in the DRC	Copper	193.31	2.07	400.71	60.53	2.82	170.98	4.3	8.9	23 years
	Cobalt	193.31	0.99	190.52	60.53	1.11	66.97			
Brazil Mine area I	Niobium	149.2	1.0027	149.7	41.8	0.96	40.18	3.3	12.6	Long-term
Brazil Mine area II	Niobium	159.7	0.34	53.9	33.5	0.42	14.22	5.5	33.2	
Brazil Mine area II	Phosphate	786.8	10.45	8,222.63	182.7	12.75	2,328.28			
Sandaozhuang Molybdenum and Tungsten Mine	Molybdenum	280.93	0.087	24.46	41.98	0.105	4.42	13.0	9	11.5 years
	Tungsten	64.73	0.169	10.97	14.15	0.198	2.80			
Shangfanggou Molybdenum Mine	Molybdenum	436.54	0.140	60.97	21.66	0.215	4.65	5.3	4.1	10 years
	Iron	16.00	20.42	326.70	1.35	30.01	40.51			
Donggebi Molybdenum Mine	Molybdenum	441	0.115	50.82	141.58	0.139	19.68	/	38	21 years

Notes:

1. The preliminary design of the KFM copper and cobalt mine has been commenced in accordance with the relevant Chinese standards. There are differences between the estimated resources and reserves and the results obtained under overseas standards (mainly due to the differences in resource results caused by the delineation of ore bodies under Chinese standards and the delineation of mineralized zones under the standards of the Joint Ore Reserves Committee). The current reserves only include oxide ore and mixed ore, which are those that will be utilized in the first ten years of the mine as designed in the preliminary design report, and the design of deeper ore bodies will be launched in due course as mining and exploration work go further.

2. During the reporting period, the increase in niobium reserves in Brazil Mine area I was mainly due to the exploration works carried out during the year. According to the mining law in Brazil, mining concessions have no expiration date, therefore, the mining rights in niobium and phosphates mining areas in Brazil are valid for a long term.

3. During the reporting period, the verification report of the resources and reserves in the Sandaozhuang Mine of the Company was reviewed and approved by the Ministry of Natural Resources, with the mining right of Sandaozhuang Mine extended to 1 June 2035. Throughput of Sandaozhuang Mine refers to the throughput of industrial ores in Chinese standards, excluding low-grade ores.

4. The Shangfanggou Molybdenum Mine is owned by Fuchuan Mining Company Limited, a joint venture of the Company. With the approval of the general meeting of Fuchuan Mining, its operation was entrusted to CMOC.

5. Annual ore throughput was the actual ore consumption during the reporting period. The niobium in Brazil Mine area II was derived from the utilization of phosphate tailings in Brazil Mine area II, while other mines do not include comprehensive utilization of tailings.

6. Overseas mines are prepared in accordance with the JORC standards, and domestic mines and KFM Copper and Cobalt Mine are prepared in accordance with the Chinese standards. The above mineral resources are inclusive of reserves and have been confirmed by expert of the Company.

7. The data in respect of the amount of metal contained in the reserves is the theoretical value and did not take into account the metallurgy recovery rate.

8. The company has established an effective monitoring and management mechanism for the mining licenses in each mining area; at present, there is no situation where the mining license has not been renewed or cannot be renewed after expiration. At present, all mines are in a favorable state of production and operation: the prices of the main metals mined are relatively firm, and all mines have reduced production costs by strengthening a series of work such as technological transformation. Exploration activities and mine production practices have proved that all mines have great resource potential and favorable resource dump conditions, and have the potential to extend the service life of the mine.

9. The Company has established an effective monitoring and management mechanism for the mining licenses of each project company; currently, there were no such cases where the mining licenses have not been renewed upon expiry or cannot be renewed upon expiry.

2. EXPLORATION, DEVELOPMENT AND MINING ACTIVITIES

(1) Exploration

① *Copper and Cobalt Mine in the DRC*

TFM Copper and Cobalt Mine: During the reporting period, geological exploration works mainly focused on limestone deposits. A large-scale geological mapping of 4.33 square kilometers in total was completed; 18 new limestone target areas were discovered; a total of 21,402 meters of diamond drilling footage was completed, meeting the expected prospecting results.

KFM Copper and Cobalt Mine: During the reporting period, the production and exploration work mainly focused on the proposed mining area in 2024, a total of 44 drilling holes have been completed with a total footage of 2,866 meters; achieving the exploration effect and meeting expectations in terms of grid drilling and exploration towards boundaries and bottoms of ore body.

② *Niobium and Phosphate Mine in Brazil*

Niobium Mine: Diamond drilling activities were carried out during the reporting period, with a total of 43 drilling holes constructed and a total footage of 6,511 meters. Among them, 14 drilling holes were used to increase the density of drilling grid and upgrade the resource, with a total footage of 3,632 meters; 7 drilling holes were used for geotechnical engineering to update the geomechanical model, with a total footage of 1,955 meters; 22 drilling holes were used for hydrogeology to update the hydrological model and meet the requirements of the local environmental regulations, with a total footage of 924 meters.

Phosphate Mine: A total of 132 drilling holes were constructed in the stopes of Chapadão Mine, with a total footage of 4,214 meters, and 1,708 samples were collected, including 113 RC drilling holes (drilling holes for rock powder) with a footage of 2,220 meters and an average depth of 20 meters, and 19 DDH drilling holes (diamond drilling holes) with a footage of 1,994 meters, which achieved the purpose of increasing the density of the existing exploration grids (100 meters by 100 meters or more than 200 meters), upgrading the resources, and updating the grades in the short – and long-term plan models. For long-term mineral resource drilling, 2 drilling holes were constructed at the edge of Chapadão Mine, with a total footage of 552 meters, for the purpose of resource upgrade and conversion.

Greenfield exploration projects: 3 diamond drilling holes were constructed in the areas with mining rights of the Monjolos project (MNJ-SV), with a footage of 453 meters, and 220 samples were collected according to QAQC standards. 652 samples were collected in the areas with mining rights of the Iraí de Minas project (IDM-SJB). In the brownfield project of ALE (east zone), 9 diamond drilling holes were constructed with a total footage of 3,640 meters. In Coqueiros, 6 diamond drilling holes were constructed with a total footage of 1,661 meters to explore the causes of geophysical anomalies and confirm the in-depth potential of niobium mineralization and the continuity of mining phosphate mine.

③ *Mines in the PRC*

Sandaozhuang Molybdenum and Tungsten Mine: During the reporting period, production and exploration of mines were conducted in the central and southern areas, with drilling work conducted on the surface of the open pit, using core drills to conduct 64 drills holes, with a footage of 6,382 meters. In order to prevent geological disasters and ensure the safety of open-pit mining, mined-out exploration of mines was carried out in the northern and southern areas, with drilling on the surface of the open pit. A total of 3,640 meters of mined-out exploration was carried out, including 2,610 meters of single-layered mined-out areas and 1,030 meters of multi-layered mined-out areas. All of the exploration works have achieved the expected effect.

Shangfanggou Molybdenum Mine: During the reporting period, production and exploration have been carried out in key production area, and dig drilling has been carried out on the surface of the open pit, using core drilling rigs to conduct 52 drill holes to a depth of 5,084 meters. In-depth exploration has been carried out at standard height of 1,520 meters to 885 meters in mine areas, using core drilling rigs to conduct 38 drill holes to a depth of 15,956 meters. In order to ensure the production safety, mined-out area exploration was carried out in the horizontal mined-out areas 1,154 meters to 1,342 meters deep, using the reverses circulation drill rigs to construct 43 exploration holes for mined-out area, with a depth of 3,745 meters, including 2,272 meters of single-layered mined-out areas and 1,473 meters of multi-layered mined-out areas. All of the exploration works have achieved the expected effect.

Donggebi Molybdenum Mine: During the reporting period, no mine exploration activity was carried out.

(2) Development

① *Copper and Cobalt Mine in the DRC*

TFM Copper and Cobalt Mine: During the reporting period, the infrastructure stripping and development preparation for 3 mines and the construction for 2 raw ore yards in the eastern zone have been completed, and the infrastructure works for mixed ore development have been fully completed. Surface extension and stripping works for several dumps have been completed. Gushing water governance for railway relocation has been completed, excavating 73,900 cubic meters of side gutters and floor gutters, as well as 18,000 cubic meters of roadbed replacement and filling have been completed. 18 dewatering wells have been completed, totaling 2,492 meters. 6 monitoring holes have been completed, totaling 870 meters. The management of surface water was carried out in the vicinity of the mining area, the dumps and the communities in the mining area. A total of 3,447 meters of protective embankment controlling surface water, 477 meters of roads and drainage culverts installed, and 3,709 meters of ditches on the top of protection slope were excavated to effectively control the impact of water environment and resolve the problem of puddle on roads in the mining area.

KFM Copper and Cobalt Mine: During the reporting period, the drainage work gradually formed a drainage mode with the mine as the base and supplemented by the dredging wells: the mine set up a primary and secondary drainage system to relay the drainage; 5 dredging wells were opened in the main groundwater recharge corridor of the mine to ensure the smooth implementation of exploration in the new stage and the production of ores. The mine slope adopted a joint monitoring mechanism combining manual, GNSS and radar methods for monitoring, and 10 new GNSS monitoring points were installed during the year for real-time monitoring of the slopes; the bidding for slope radar monitoring service and mine slope stability study was completed. The hardening of 4,000 meters of ore transportation roads was completed to ensure normal supply of ore during the rainy season. The transportation system within the mine was optimized with 4 temporary slopes added, reducing the transportation distance of approximately 4 million cubic meters of waste stones and saving the mining transportation cost.

② *Niobium and Phosphate Mine in Brazil*

Niobium Mine: During the reporting period, the main CAPEX expenditures necessary for continue operations of Boa Vista Mine was completed; the transformation of drainage system was completed, increasing the pumping capacity while deepening the pit; the revegetation of more than 200,000 square meters of waste rock piles was conducted to be in compliance with the requirements of the environment conditions; the construction of new sumps with a capacity of approximately 22,000 cubic meters was completed to ensure the dust-proof water during the drought period annually.

Phosphate Mine: During the reporting period, the average transport distance was shortened and the efficiency of operation of mines was improved through optimization of the transportation route project transformation. For the relocation work of niobium slag, the Company conducted the designing work of the concept project program, with an aim to plan the relocation of the facilities and structures in the southern part of the phosphate mine (Fagundes, Metal Ar and geological shelves). Currently, the Company has submitted the related information to Brazilian Ministry of the Environment for review.

③ *Mines in the PRC*

Sandaozhuang Molybdenum and Tungsten Mine: During the reporting period, the ecological restoration work was further strengthened with the area of greening restoration up to 55,400 square meters. Besides, we have reclaimed the land on the slope with an area of 13,400 square meters; hardened road of 880 square meters. We constructed drainage ditches of 5,471 meters for construction works of final slope interception for drainage and mining sites and drainage and retaining wall.

Shangfanggou Molybdenum Mine: During the reporting period, in accordance with the national green mine construction requirements, the ecological restoration work was further strengthened, with the ecological restoration area of the mine amounted to about 32,300 square meters. We have reclaimed the land on the slope with an area of 5,431 square meters; hardened road of 5,570 square meters; constructed temporary ditches of 4,500 meters and concrete ditches of 300 meters.

Donggebi Molybdenum Mine: No development activities were conducted during the reporting period.

(3) Mining Activities

Unit: '0,000 tonnes

Domestic mining activities	
Mining volume of Sandaozhuang Molybdenum and Tungsten Mine[1]	1,299.26
Mining volume of Shangfanggou Molybdenum Mine	522.5
Overseas mining activities	
Mining volume of TFM Copper and Cobalt Mine in the DRC	1,803.00
Mining volume of KFM Copper and Cobalt Mine in the DRC	437.16
Mining volume of Niobium Mine in Brazil	342.79
Mining volume of Phosphate Mine in Brazil	552.68

Note: 1. The mining volume of Sandaozhuang Molybdenum and Tungsten Mine refers to the throughput of industrial-grade ores under Chinese Standard, excluding the volume of low-grade ores.

(4) Costs of Exploration, Development and Mining

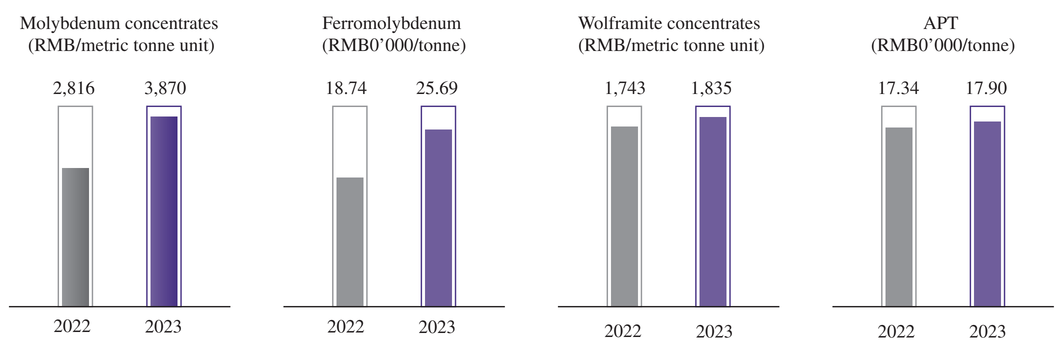
Projects	**Mining costs**	**Exploration costs**	**Development costs**
Domestic mines *(RMB'0,000)*			
Sandaozhuang Molybdenum and Tungsten Mine	59,452.28	280.18	2,102.13
Shangfanggou Molybdenum Mine	38,446.01	907.44	803.98
Overseas mines *(USD million)*			
TFM Copper and Cobalt Mine in the DRC	481.94	7.61	127.56
KFM Copper and Cobalt Mine in the DRC	127.92	0.53	8.78
Niobium Mine in Brazil	35.52	4.58	5.18
Phosphate Mine in Brazil	14.88	1.71	1.19

III. MARKET REVIEW

Domestic market price of the relevant products of the Company

Products	**2023**	2022	**Increase/ decrease on a year-on-year basis** *(%)*
Molybdenum concentrates *(RMB/metric tonne unit)*	**3,870**	2,816	37.43
Ferromolybdenum *(RMB0'000/tonne)*	**25.69**	18.74	37.09
Wolframite concentrates *(RMB/metric tonne unit)*	**1,835**	1,743	5.28
APT *(RMB0'000/tonne)*	**17.90**	17.34	3.23

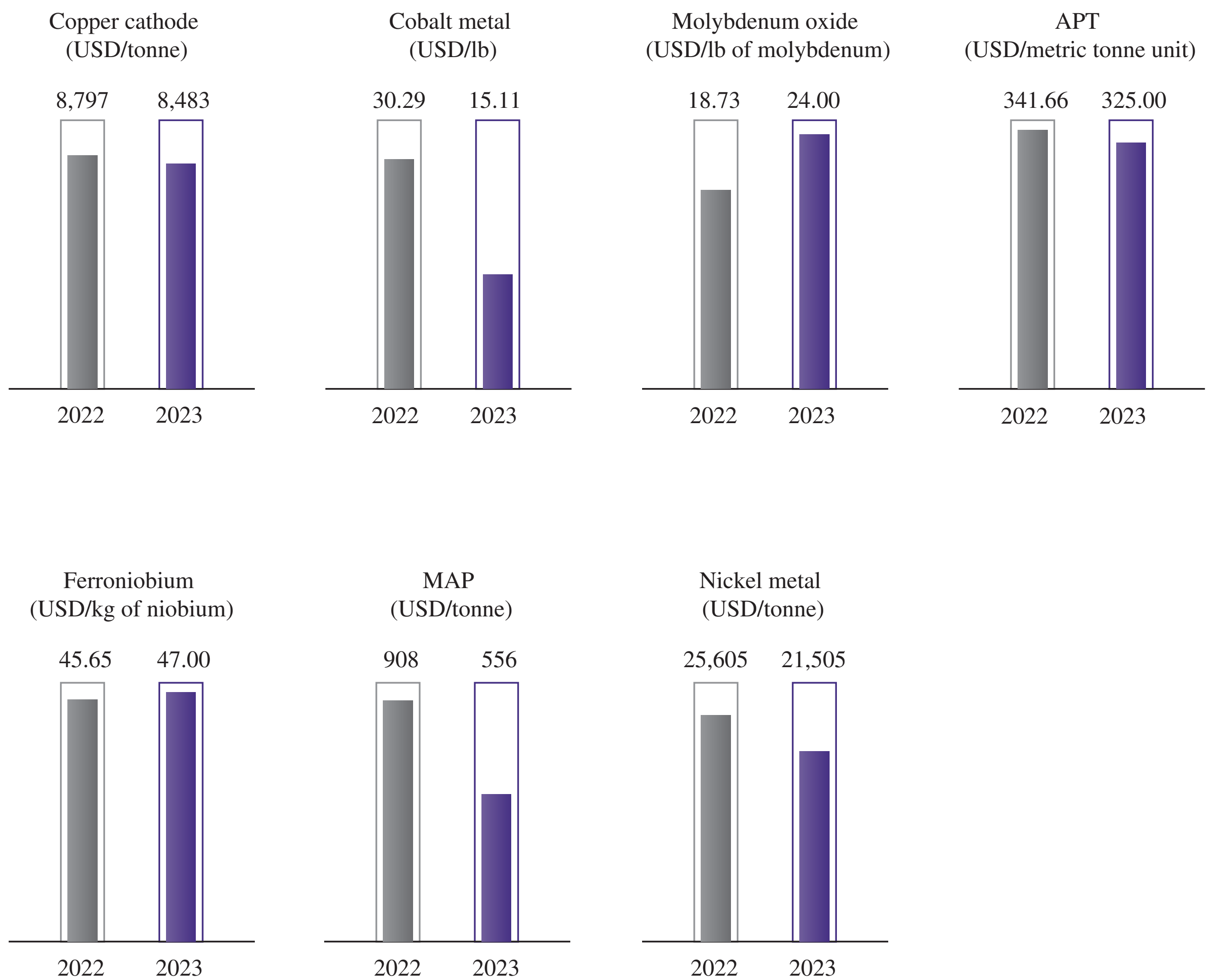
Note: Data from the average prices quoted on the website of Comelan (product standard: 47.5% for molybdenum concentrate, 60% for ferromolybdenum, grade I for wolframite concentrate, APT GB-0)



International market price of relevant products of the Company

Products	**2023**	2022	**Increase/ decrease on a year-on-year basis** *(%)*
Copper cathode *(USD/tonne)*	**8,483**	8,797	-3.57
Cobalt metal *(USD/lb)*	**15.11**	30.29	-50.12
Molybdenum oxide *(USD/lb of molybdenum)*	**24.00**	18.73	28.14
APT *(USD/metric tonne unit)*	**325.00**	341.66	-4.88
Ferroniobium *(USD/kg of niobium)*	**47.00**	45.65	2.58
MAP *(USD/tonne)*	**556**	908	-38.77
Nickel metal *(USD/tonne)*	**21,505**	25,605	-16.01

Note: The price of molybdenum oxide is the average price quoted on the Metals Week (MW); the prices of copper and nickel are the spot average price on LME (London Metal Exchange); cobalt price is the average low price of MB (Metal Bulletin) standard grade cobalt; phosphate fertilizer price is from Argus Media; ferroniobium price is from Asian Metal website.



MARKET REVIEW ON EACH METAL SEGMENT IN 2023

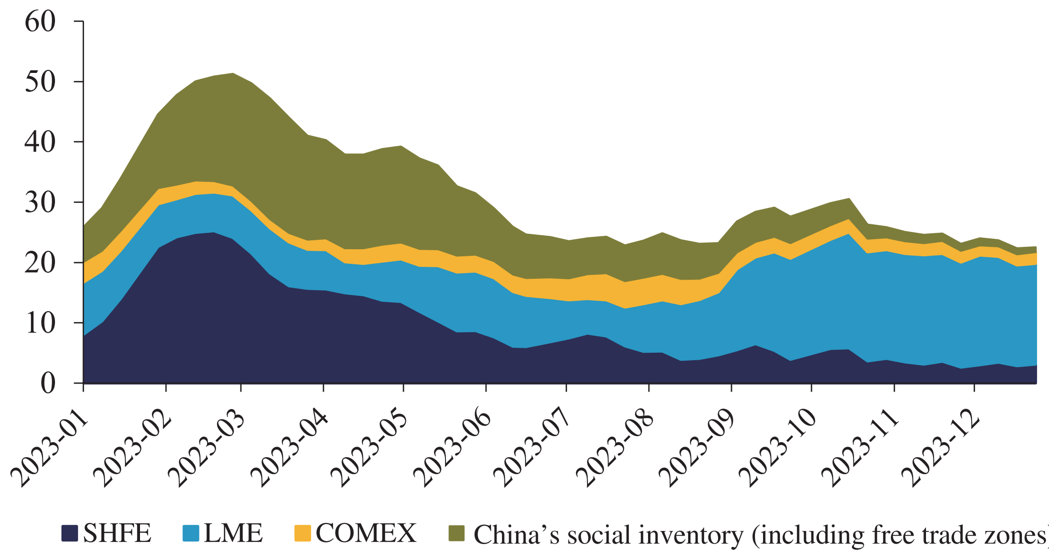
In 2023, the expectation of macroeconomic recovery and the strong demand of the non-ferrous metal industry for executing orders created momentum in the first quarter, and the price of non-ferrous metals rebounded significantly. The price of non-ferrous metals retreated after the second quarter and then the price tended to be stable.

1. Copper industry

The global copper resources are rich with high concentration. According to data of the U.S. Geological Survey (USGS), as of 2023, the world has proven copper reserves of 1 billion tonnes, which are mainly distributed in Chile, Australia, Peru, Russia, DRC and other countries. Five major resource countries control about 57% of the world's copper resources. China has reserves of 41 million tonnes, representing merely 4% of the world's total, but it is the world's largest copper consumer, accounting for about half of the global consumption.

At the end of 2023, the global copper visible inventory increased by 12% to 217,000 tonnes as compared with the end of 2022, of which the COMEX copper inventory decreased by 46% to 19,000 tonnes, the copper inventory of Shanghai Futures Exchange (SHFE) decreased by 55% to 31,000 tonnes, the copper inventory in Shanghai Free Trade Zone was digested to 6,000 tonnes, and LME copper inventory increased by 88% to 167,000 tonnes, still at the historically low level.

Global copper visible inventory (0'000 tonnes)



Source: Wind

Global copper supply was slightly higher than demand in 2023. According to the statistics of the International Copper Study Group (ICSG), global copper production volumes amounted to about 26.53 million tonnes in 2023, representing a year-on-year increase of 3.3%, while its demand amounted to approximately 26.5 million tonnes, representing a year-on-year increase of 1.9%. On the supply side, the production capacity of new and expanded mines was mainly concentrated in the DRC, Peru, Chile and other countries. The global supply of copper concentrate was sufficient and the processing fee of copper concentrate remained high, and China's smelting capacity subsequently increased in value, with annual production capacity of copper amounting to 11.45 million tonnes, representing a year-on-year increase of 1.16 million tonnes, or an increase of approximately 11.3%. On the demand side, demand for copper in traditional industries showed a trend of strong first and then weak as a result of the effects such as high inflation, tight monetary policy and geopolitics, but demand growth in emerging fields became the main force of the copper market, driving positive growth in demand for copper.

In 2023, domestic demand pushed the increase of copper scrap imports. China imported 1,986,567 physical tonnes of copper scrap in total, representing a year-on-year increase of 12.13%. As the overseas copper scrap smelters successively put into production, the overseas copper scrap exports decreased. It is expected that the supply of overseas copper scrap will decrease in 2024, and it is difficult to increase the imports of copper scrap this year.

As a major global copper producer, the Company mainly sells copper cathode and copper concentrate in the global markets. In 2023, the average LME copper spot settlement price was USD8,483 per tonne, representing a year-on-year decrease of 4%. Influenced by the domestic stimulus policies, global macroeconomic expectations, domestic weak recovery and the strengthening of the US dollar index, copper prices experienced a process of high at the beginning and subsequently decreased, but with the expected end of the US Federal Reserve's rate hike, coupled with the inventory remaining low, copper prices rebounded at the end of the year.

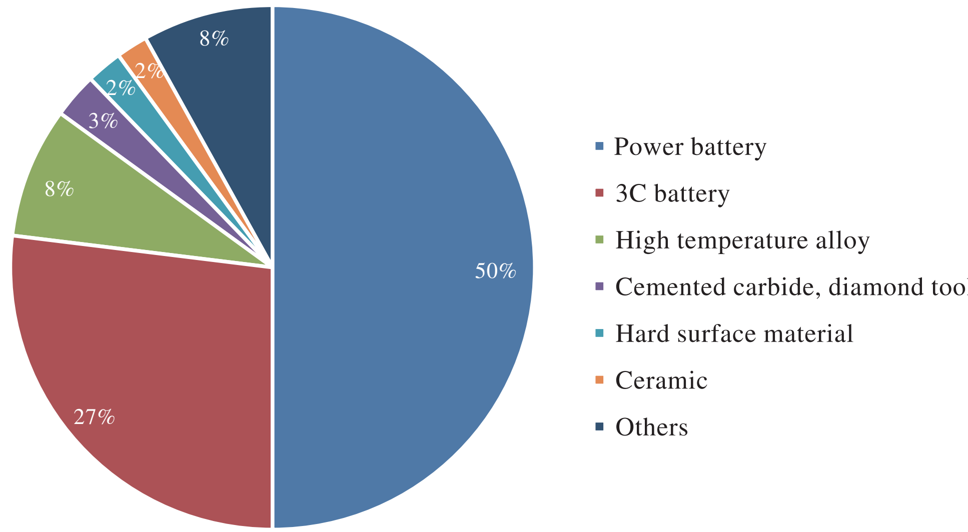
2. Cobalt industry

Cobalt is a vital strategic metal. Global cobalt resources are primarily concentrated in DRC, Australia, and Indonesia, with these three resource-rich countries controlling approximately 73% of the world's cobalt reserves. DRC is also the largest cobalt-producing country, contributing to over 70% of its global production in 2023. China stands as the world's largest refined cobalt-producing country, with its production accounting for 75% of the global refined cobalt production in 2023.

The downstream demand for cobalt primarily arises from the battery sector, high-temperature alloys, hard alloys, and magnetic materials. According to Antaike statistics, with the growth in global sales of new energy vehicles, the battery sector's demand for cobalt exceeds 60%.

In 2023, the increase in supply has surpassed that in demand for cobalt. According to data from the research institution Benchmark Mineral Intelligence, the global cobalt supply is estimated at approximately 224,000 tonnes of metal cobalt in 2023, representing a year-on-year increase of 17%. Meanwhile, the cobalt demand is expected to be approximately 212,000 tonnes, representing a year-on-year growth of 14.5%. On the supply side, the increment is approximately 45,000 tonnes in 2023, with 81% originating from the copper-cobalt associated ores in DRC and 17% from the Indonesia's Mixed Hydroxide Precipitate (MHP) project, which is put into production and seeks production growth. Despite the high nickelization trend in power batteries on the demand side, the global production of new energy vehicles exceeds 14.10 million units, representing a growth rate of 34%. The overall increase in the quantity of power batteries remains a core driving force of cobalt demand.

Global refined cobalt consumption distribution in 2023



Source: Antaike

The Company is the largest cobalt producer in the world and mainly sells cobalt hydroxide to the international market. In 2023, the average price of MB cobalt metal was USD15.11 per lb, representing a year-on-year decrease of 50%, and fell to a new low in the past five years at the end of the year. In 2023, the average value of MB cobalt hydroxide pricing coefficient was 55.43%, representing a decrease of 15.93 percentage points. The new energy vehicle industry chain slightly underperformed the expectation and the demand for 3C showed no signs of recovery, coupling with the growth of cobalt supply in the DRC and Indonesia, resulting in a decline in cobalt prices.

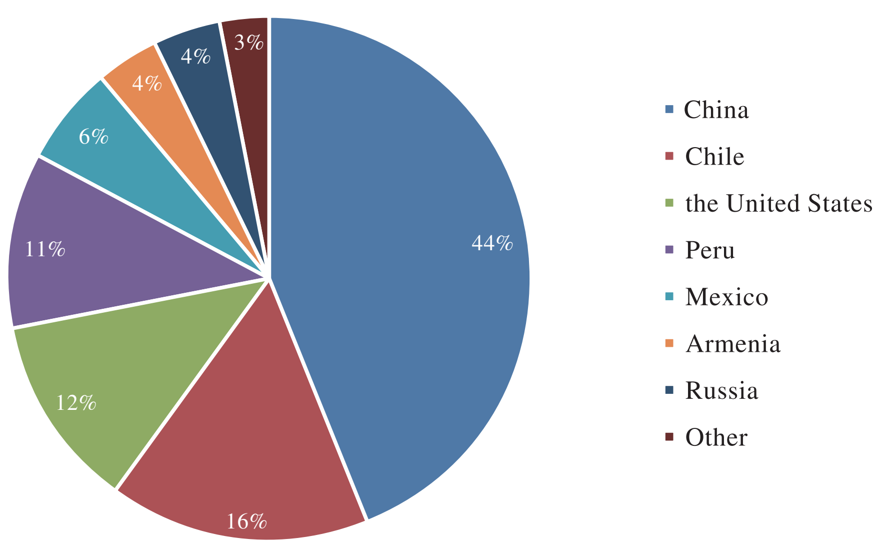
In the first half of 2023, the new energy vehicle industry chain underperformed the expectation. Enterprises in all links of the industry actively reduced inventories; the demand for digital batteries showed no signs of recovery, resulting constant declining in price of MB cobalt metal and pricing coefficient. Starting from mid-June 2023, the price of cobalt metal overseas saw a trend of rising, coupling with the changes in supply of raw materials in the spot market and the expectation, resulting the increase in both the price of cobalt metal and the pricing coefficient of cobalt hydroxide. With the large number of raw materials from the DRC arriving at the port in the third quarter of 2023, domestic smelting began to have excess inventory from the fourth quarter. The overstocking of products has become the norm in ports and smelters. Coupling with the obvious weakening of demand for power batteries and digital batteries in the second half of 2023 and the constant lowering of expectation, both the prices of MB cobalt metal and the pricing coefficient stopped rising and turned to decrease, and the price of cobalt metal reached the lowest level during the year by the end of the year. Due to the continuous price inversion at home and abroad, the MB pricing coefficient continued to fall, which made the price of cobalt raw material fall to a new low in the past five years at the end of the year.

3. *Molybdenum industry*

Molybdenum is an important strategic resource. Global molybdenum resources are mainly distributed in China, the United States, Peru and Chile. According to USGS data statistics, the four major countries rich in resources control about 92% of global molybdenum resources. The downstream application of molybdenum involves multiple fields such as steel, military industry, petrochemical, etc. Molybdenum and its alloys can significantly improve its high-temperature strength, wear resistance and corrosion resistance. China is the largest molybdenum producer in the world, accounting for 44% of global production in 2023. At the same time, because about 79% of molybdenum consumption is concentrated in the steel industry, and more than half of the world's steel production capacity comes from China, China is also the largest molybdenum consumer, accounting for 45% of global consumption in 2023.

According to data from Antaike, global molybdenum supply is approximately 286,000 tonnes in 2023, representing a year-on-year increase of 7.7%; and the demand is approximately 278,000 tonnes in 2023, essentially flat year-on-year. On the supply side, driven by the significant increase in molybdenum price since the fourth quarter of 2022, new domestic projects are accelerating production, contributing to an increment of approximately 10,000 tonnes in 2023. The production of overseas copper-molybdenum associated ores is gradually recovering, creating a resonance effect. On the demand side, with the accelerated upgrading and transformation of the manufacturing industry in China’s 14th Five-Year Plan, more attention is paid to the product upgrading of steel enterprises by the government, and the production capacity and output of special steel, high-end stainless steel containing molybdenum was continuously released. Simultaneously, amid geopolitical conflicts, there is a robust demand for molybdenum in military applications, which contributes to the sustained release of molybdenum demand. The industry is expected to present a stable and healthy development trend.

Global molybdenum production distribution in 2023



Source: USGS

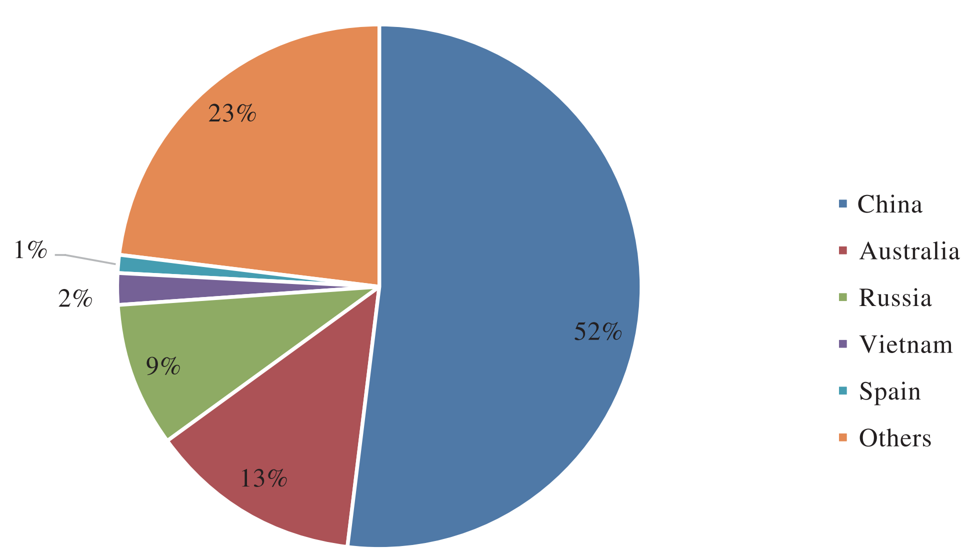
The Company mainly sells ferromolybdenum in the domestic market. Based on the statistics from Comelan and Mudu-MolyChina, the average annual price of ferromolybdenum is approximately RMB256,900 per tonne in 2023, representing a year-on-year increase of 37%. In the first quarter, both domestic and international molybdenum was in short supply, pushing the price up to the highest level of RMB380,000 per tonne in nearly 10 years. However, driven by the steel mills' hesitation to high price and the poor profitability of the steel industry, the price quickly fell. In the second quarter, the recovery of the steel industry fell short of expectations, leading to a rapid decline in price to the bottom. In the third quarter, driven by the traditional peak season in the steel industry, ferromolybdenum price rebounded to the second-highest level of the year. Subsequently, due to sluggish mine shipments and rising inventory pressures on the supply side, price once again declined. In the fourth quarter, stimulated by increased procurement from large stainless steel plants and stockpiling for holidays in domestic and international markets, ferromolybdenum demand saw a significant increase on a quarter-on-quarter basis. As supply gradually fell short, molybdenum price steadily rose, and stayed at relatively high level at the end of the year.

4. *Tungsten industry*

Tungsten is a crucial strategic resource for the nation, referred to as the "industrial teeth". It is of outstanding chemical stability, heat-resistant and corrosion-proof, being an ideal material for applications in aerospace, national defense and military industries as well as cutting tools.

The global tungsten resources have a higher concentration, with 52% distributed in China. Furthermore, 81% of global tungsten consumption is centered in China. The value of the tungsten industry chain mainly generates from the upstream resource extraction and selection and the downstream deep processing. China exports a significant amount of tungsten products to Europe, Japan, South Korea, the United States, and other regions, with a total export of 35,416 metric tonnes. As domestic resources of mines in production gradually deplete, coupled with the increasingly stricter environmental inspection policies on production restriction, the mining cost hikes in China, which provides certain cost support to the tungsten price.

Global tungsten resources distribution in 2023



Source: USGS

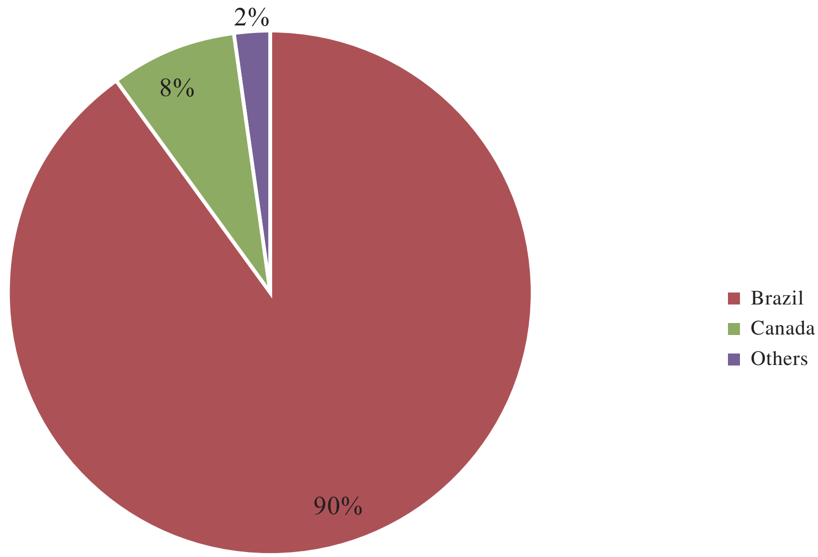
The Company mainly sells ammonium paratungstate (APT) in the domestic market. According to the statistics from the domestic websites of Comelan and Mudu-MolyChina, the annual average APT price was RMB179,000 per tonne in 2023, representing a year-on-year increase of 3%. Tungsten supply and demand maintained a tight balance of raw materials, with a weak supply and demand pattern during the year, resulting in the fluctuation of APT market prices in a relatively high range (RMB168,000-RMB182,000) during the year.

5. Niobium industry

Niobium resources supply is highly concentrated, mainly in Brazil, and the main consumption areas are low-alloy high-strength structural steel, automotive steel, high construction steel, bridge steel, petroleum steel and amorphous magnet material fields. The high concentration of supply structure remained unchanged in 2023. On the supply side, the global production volume in 2023 amounted to approximately 83,000 tonnes, with CBMM (巴西礦冶公司) accounting for approximately 75% of the global market. Global niobium consumption amounted to approximately 73,500 tonnes. As China's strength requirements for construction bars continued to improve, the improvement of large-scale infrastructures such as airports, high speed rail stations, large exhibition and sports facilities on various properties of the steel, demand for ferroniobium continued to increase. The carbon steel with 0.02%-0.03% niobium added can significantly enhance the seismic resistance, corrosion resistance and fracture resistance capacities.

The Company mainly sells ferroniobium in the international and domestic markets. According to the data statistics from the Asian Metal, in 2023, the average ferroniobium price was USD47 per kg of niobium, representing a year-on-year increase of 3%. At the beginning of this year, spot market demand in Europe and Asia was strong, the demand for steel from the energy industries was more positive, the demand for niobium in India increased with a significantly growth rate, and the use of niobium in steel per tonne continued to increase in the automobile industry under the background of improved traffic safety and emission standards. China experienced a situation that rise before inhibition throughout the year, in the first quarter, the demand for ferroniobium drove up the price of ferroniobium due to the continuous recovery of the foreign economy and the strategic importance placed on ferroniobium in China; in the second quarter, due to the weakness in the real estate and infrastructure sectors, the recovery of the domestic steel industry was below expectations, and the price of ferroniobium continued to decline; at the end of the third quarter, the strong monsoon weather conditions in Brazil caused port congestion, which had a great impact on the export of ferroniobium in terms of sea freight, resulting in a significant decrease in domestic and international port arrivals, and the short-term tension in the supply chain supported the stabilization of domestic and international ferroniobium price.

Niobium production volumes distribution in 2023



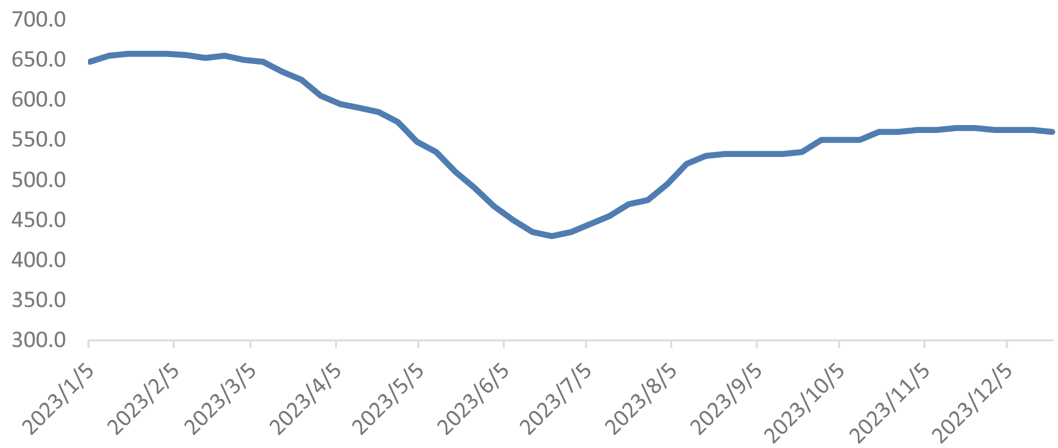
Source: USGS

6. Phosphate industry

Brazil is the fourth largest consumer of fertilizer in the world, but its domestic fertilizer production is far from adequate to meet agricultural demand and is often supplemented by imports from countries such as Morocco, Russia and China. According to the data of Argus Media, data provider of price, the imported fertilizer accounted for more than 80% of consumption in Brazil. In 2023, with the continued degradation of the impact of the regional conflict, Russia's exports of fertilizer to Brazil basically resumed, enterprises in the main producing areas of phosphate fertilizer in Morocco, Western Sahara and the Middle East are expanding production as planned. While the strengthening of China's environmental protection policies and the upgrading of domestic phosphorus chemical industry continue to limit the expansion of production capacity and output.

The Company mainly sells phosphate fertilizer in the Brazilian market. According to statistics from Argus Media, the average MAP (monoammonium phosphate) Brazilian delivered price in 2023 was USD556 per tonne, representing a year-on-year decrease of 39%, mainly due to the weakened impact of the Russia-Ukraine conflict. In the first quarter, China ended winter storage and resumed the export of phosphate fertilizer, causing the price of phosphate fertilizer in Brazil to peak and fall. In the second quarter, due to the off-season for fertilizers and the declining prices of agricultural products, domestic and overseas demands for fertilizers continuously performed weak. Meanwhile, the prices of sulphur, synthesis ammonia and other raw materials declined significantly in the cost end and fertilizers prices continued to maintain a relatively weak level. In the third quarter, due to the peak season for fertilizers in Brazil, phosphate fertilizer price continued to rise. In the fourth quarter, China reduced the export of MAP due to its winter storage demand for fertilizers, which pushed up international phosphate fertilizer prices slightly. However, under the impact of the strong monsoon, the crop planting delayed in Brazil in the second quarter, which affected and weakened the demand for fertilizers in Brazil, resulting in limited growth in Brazil's MAP prices.

MAP price trend in 2023 (USD/tonne)



Source: Argus Media

7. Mineral trading industry

In recent years, the global metals and minerals trading industry has demonstrated a landscape of two super-large companies occupying dominant positions and other companies developing their own characteristics and expanding aggressively. In 2023, the intensified conflicts in multiple regions around the world and climate impacts gave rise to the global supply chain crisis. Coupled with the impact of macro factors such as high interest rates, metal and mineral product prices fluctuated violently, bringing new opportunities and challenges to the trading industry.

IXM is a major trader of base metals in the world, which mainly deals with copper, lead and zinc concentrate, intermediate products such as nickel, cobalt, niobium and lithium, refined metals including copper, aluminum, zinc and nickel as well as a small amount of precious metal concentrates. IXM has been maintaining a solid business operation and built up a good reputation and a worldwide operation network.

(I) OPERATION REVIEW

1. Business indicators reached historic highs, leading the Company onto the "fast track" of development

Focusing on enhancing the annual targets in 2023, the Company is committed to transforming resource advantages into production capacity, fully leveraging the synergies between mining and trading sectors. The goal is to pursue profitable income and profits with cash flow, stepping onto a "fast track" of sustained and healthy development. The Company achieved operating revenue of RMB186.3 billion for the year, representing a year-on-year increase of 8%; the net profit attributable to shareholders of the parent company amounted to RMB8.2 billion, representing a year-on-year increase of 36%, both hit record high. The operating net cash flow reached RMB15.5 billion, essentially flat year-on-year; and the IXM net profit amounted to RMB0.913 billion, which also reached its historical best level.

2. Output of all products saw year-on-year growth, establishing the Company as a key global copper producer

Following the work principle of "ensuring production while striving for early reaching full production and over production", output of all products of the Company achieved year-on-year growth, with copper, cobalt, niobium and phosphate reaching historic high. In 2023, the Company produced 419,500 tonnes of copper and 55,500 tonnes of cobalt, representing year-on-year increases of 51% and 174% respectively. The Company's copper production volume is approaching top ten in the world, and it has become the world's largest cobalt producer. The production volume of molybdenum, tungsten and niobium remains leading globally.

3. Solidified its production capacity advantage through the successful completion of two world-class copper-cobalt projects

The KFM project generated benefits ahead of schedule in the first quarter of 2023 and reached full production in the second quarter, with the production of 113.7kt of copper and 33.9kt of cobalt for the year. The TFM mixed ore project successfully completed the construction of three production lines of mixed ore in the central zone, oxide ore and mixed ore in the eastern zone based on the "milestones" node plan. Currently, the project has five copper-cobalt production lines, with an annual production capacity of 450kt of copper and 37kt of cobalt. The project produced 280.3kt of copper and 21.6kt of cobalt for the year.

4. The issue regarding TFM royalties was properly settled, laying a solid foundation for the long-term development

In April 2023, the Company and business partners reached a consensus on the issue of TFM royalties; and in July 2023, a Settlement Agreement was signed to properly settle the issue of TFM royalties, which showcased the Company's ability to cope with complex issues in its international operations and laid a solid foundation for the long-term development.

5. Carrying out regular asset review while expanding product portfolio, achieving the overall presence in copper-cobalt-nickel-lithium new energy metals

In 2023, the Company sold 80% of its equity interest in NPM Copper and Gold Mine and obtained substantial earnings. The consortium between the Company and CATL acquired the mining rights of two lithium brines in Bolivia, thus achieving the overall presence in copper-cobalt-nickel-lithium new energy metals.

6. ESG performance further improved, taking a leading position in the industry

In 2023, the Company's MSCI ESG performance was upgraded to AA Class, placing the Company in the top 20% of the global non-ferrous metals industry. In the practice of the high-standard ESG concept, the Company has achieved a number of "firsts" – for the first time releasing a carbon neutral roadmap; listed in the inaugural S&P Global Sustainability Yearbook 2023 (China); TFM released the first single ESG report and human rights report, and was the first Chinese-owned DRC mine to complete RMI (the Responsible Minerals Initiative) audit; KFM signed the first Scope Statement for Community Development; IXM released the first ESG report, and its EcoVadis sustainability rating was upgraded to Gold.

7. Further improvement of the global governance, bringing endogenous development and cultural cohesion to a "new level"

During the reporting period, CATL became the second largest shareholder of the Company, and the strategic synergy between them in the field of new energy was strengthened. The corporate governance is robust and the management efficiency has been steadily improved. The Company has built an international operation system with the characteristics of CMOC, the second phase of the "SAP" project has been successfully completed, and the digital intelligence capability has been further enhanced. The Company's talent team has gradually formed, with the spirit of "challenging the impossible" integrated into its corporate culture. The Company has been committed to building an international image that featured with openness, honesty, objectivity, truthfulness and comprehensiveness.

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(II) BUSINESS REVIEW

Major products	**Unit**	**Production volume of 2023**	Production volume of 2022	**YoY growth (%)**
Copper metal	tonne	**419,537**	276,992	51
Cobalt metal	tonne	**55,526**	20,286	174
Molybdenum metal	tonne	**15,635**	15,114	3
Tungsten metal	tonne	**7,975**	7,509	6
Niobium metal	tonne	**9,515**	9,212	3
Phosphate fertilizer	0'000 tonnes	**117**	114	3
Gold	ounce	**18,772**	16,221	16
Physical trade volume	0'000 tonnes	**591**	625.5	-5

Note: Production volume of NPM copper metal and gold in 2023 recorded as of the delivery date (15 December 2023).

MATERIAL EVENTS

I• MATERIAL EVENTS

1. The KFM Copper and Cobalt project reached full production, and the mixed ore project of the TFM Copper and Cobalt Mine was put into production

Embracing the spirit of "challenging the impossible", the Company, under the efforts of all employees, has completed the construction of three production lines of the TFM mixed ore project in the DRC, namely the mixed ore in the central zone, oxide ore and mixed ore in the eastern zone, according to the "milestone" node plan, which were put into production in October 2023 successfully. The KFM project in the DRC achieved full production in the second quarter of 2023, surpassing the production targets for the year. In 2023, TFM contributed 280.3kt of copper and 21.6kt of cobalt, while 113.7kt of copper and 33.9kt of cobalt were produced from KFM.

For details, please refer to relevant announcements published by the Company on the Company's website, designated media and the websites of the Shanghai Stock Exchange (the "**SSE**") and The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**").

2. A consensus on the issue of TFM copper and cobalt mine royalties was reached

Through candid communications and friendly consultations, the Company and business partners reached a consensus on the issue of TFM royalties, enabling the resumption of exports in April 2023 based on respect of history of the project and serving the win-win goal out of consideration of both short-term interests and long-term development of the parties. In July 2023, a Settlement Agreement was signed to properly settle the issue regarding the additional royalties, which showcased the Company's ability to cope with complex issues in its international operations and laid a solid foundation for the long-term development.

For details, please refer to relevant announcements published by the Company on the Company's website, designated media and the websites of the SSE and the Hong Kong Stock Exchange.

II• HONOURS

The Company won the titles "Top Manufacturing Enterprises in Henan Province (河南省製造業頭雁企業)"for the third consecutive year and "Advanced Group on Scientific and Technological Innovation in Luoyang City (洛陽市科技創新工作先進集體)" for the second consecutive year.

Scientific and technological achievement of "Green and low-carbon design of open-pit mine-intelligent and safe mining-key technologies and application of comprehensive utilization of solid waste (露天礦綠色低碳設計－智能安全開採－固廢綜合利用關鍵技術及應用)" and "combined phosphorus/phosphonates synergistic enhancement of flotation separation technology between extremely low-grade scheelite and calcium-containing gangue minerals (組合磷/膦酸鹽協同強化極低品位白鎢礦與含鈣脈石礦物浮選分離技術)" were awarded the first prize of Science and Technology Progress Award of CNMIA (中國有色金屬工業協會科技進步一等獎) respectively.

The Company's "Clean and Efficient Beneficiation Technology for Difficult-to-process Copper, Molybdenum and Nickel Ores Containing Easy-to-float Argillated Gangue Minerals and Application (含易浮泥化脈石礦物難處理銅鉬鎳礦清潔高效選礦技術及應用)" was awarded Green Mines Scientific-technical Progress First Class Award (綠色礦山科技進步一等獎).

III• DOMESTIC AND OVERSEAS INDUSTRY POLICIES

Within the PRC

On 3 January 2023, the Ministry of Natural Resources issued the Trading Rules for the Assignment of Mineral Rights (《礦業權出讓交易規則》), further regulating transactions on the assignment of mineral rights, enhancing the construction of the mineral rights market, ensuring that transactions on the assignment of mineral rights are conducted openly, fairly and impartially, continuously improving the efficiency and effectiveness of such transactions, safeguarding the rights and interests of the state and the legitimate rights and interests of mineral right holders, and providing institutional support for protecting national energy resource security.

On 3 February 2023, the General Office of the Ministry of Natural Resources and the General Office of the Ministry of Finance issued the Notice on Issues Concerning the Disposal of Mineral Rights for Compensation (Letter No. 223 [2023] of the General Office of the Ministry of Natural Resources) (《關於礦業權有償處置有關問題的通知》(自然資辦函[2023]223 號)). It provides further clarification and definition in respect of specific issues of the disposal of mineral rights for compensation.

On 24 March 2023, the Ministry of Finance, the Ministry of Natural Resources and the State Taxation Administration issued the Measures for Collection of Proceeds from the Assignment of Mineral Rights (《礦業權出讓收益徵收辦法》), further improving the compensation system of use of mineral resources, standardizing the management on collection of proceeds from the assignment of mineral rights, safeguarding the rights and interests of national owners of mineral resources, and promoting the protection and rational utilization of mineral resources.

On 6 May 2023, the Ministry of Natural Resources issued the Notice of the Ministry of Natural Resources of Further Improving the Administration of Registration of Mineral Resources Prospecting and Mining (《自然資源部關於進一步完善礦產資源勘查開採登記管理的通知》), improving the guarantee capacity of energy and resources, and promoting the healthy and sustainable development of the mining industry.

On 26 July 2023, the Ministry of Natural Resources issued the Opinions of the Ministry of Natural Resources on Several Matters of Deepening the Reform of Management of Mineral Resources (Regulations No. 6 [2023] the Ministry of Natural Resources) (《自然資源部關於深化礦產資源管理改革若干事項的意見》(自然資規[2023]6號)), providing certain opinions in respect of deepening the reform of management of mineral resources.

MARKET PROSPECTS

(1) Copper market

In 2024, the global economy will continue to face challenges, but as the US Federal Reserve's interest rate hike cycle nears its end, macro pressures are expected to gradually ease. The Chinese government will continue to introduce growth stabilization measures to stabilize the economy, with policy expectations remaining generally positive. Despite facing a decline in external demand and slow domestic recovery, as more economic policies are introduced, it is anticipated that macro regulation on the policy front will continue to support the recovery of the real economy and end-consumer consumption. Demands for copper of industries, specifically, such as electric vehicles, renewable energy, power transmission, and distribution networks are expected to further increase, thereby supporting the copper price performance.

(2) Cobalt market

In 2024, the domestic economy is generally in a state of recovery. The terminal demand for cobalt is uncertain and depends on the extent of recovery in the ternary power battery sector, the improvement in demand for 3C electronics, and the increase in demand for hard alloys. On the policy side, it is clear that support for the development of new energy vehicles will continue, which will benefit cobalt consumption. However, with the continuous increase in the supply and the squeeze on the share of lithium iron phosphate, price recovery exhibits significant volatility, primarily influenced by the volume of raw materials arriving at ports and seasonal destocking.

(3) Molybdenum market

In 2024, there are no major additions to molybdenum supply production capacity, while large domestic molybdenum mines are facing varying degrees of decline in raw ore grades. On the consumption side, demand for high-end steel varieties such as molybdenum-containing steel remains promising under the national requirement for high-quality development. Antaike predicts that from now until 2050, the country's continued investment in wind power will cumulatively increase molybdenum demand by 300,000 tonnes. Meanwhile, the strategic requirement for overall upgrading of the manufacturing industry in the country's "14th Five-Year Plan" will also drive the overall upgrading of the steel industry, with continuous increases in special steel production and demand. Therefore, the fundamentals in 2024 are in a tight balance, and prices are expected to remain stable.

(4) Tungsten market

In 2024, the manufacturing sector, at home and abroad, is showing signs of recovery, with stability and improvement observed in the automotive, consumer electronics, and engineering machinery sectors. Overall consumption of domestic hard alloys has seen a slight improvement. Additionally, with upgrades in the silicon wafer solar panel cutting sector and the gradual promotion of photovoltaic tungsten wires, industry organizations project an additional demand of approximately 10,000 tonnes of tungsten metal in the photovoltaic sector over the next 5 to 10 years. The APT market is expected to operate steadily with a slight upward trend. Meanwhile, after a three-year cycle, the 3C electronics sector is poised to enter a new replacement cycle. In 2024, with the gradual recovery of the 3C electronics sector and the expansion of applications in new energy photovoltaic tungsten wires, tungsten prices are expected to remain stable at historically high levels.

(5) Niobium market

In 2024, the global demand for ferroniobium is expected to steadily increase, due to the high stability in supply and demand of the industry, showing a narrow range of fluctuations under the influence of exchange rates. In 2024, the ferroniobium prices will maintain at a relatively robust level. The global economy is expected to continue its recovery, the hike process of USD interest rate will gradually come to an end and the emerging economies will boost the global economic vitality. However, regional conflicts may still bring uncertainties to economic growth. As reported by the World Steel Association, the global steel demand will maintain a growth rate of 1.9% to reach 1,849.1 million tonnes in 2024. For China, 2024 marks a crucial year for the "14th Five-Year Plan", with enhanced policy support for industry development and structural optimization, which will also propel the upgrading of steel consumption, thereby driving demand for niobium.

(6) Phosphate market

In 2024, the global grain crop output will continue to be affected by unstable factors such as El Niño weather pattern, regional wars, and export regulations. However, agencies forecast that food output in Argentina and Brazil will remain at a historically high level in 2024, thus offsetting the negative impacts and leading to a further decline in global food prices. In 2024, the supply and demand fundamentals for phosphate fertilizers in China will remain unchanged as compared with 2023. Production of phosphate fertilizers in Morocco and Western Sahara will continue to increase as planned, and there will be less impact of war on Russia's phosphate fertilizer exports, which will recover gradually. The global overall supply of phosphate fertilizer is forecast to exceed that in 2023, and there is a limited growth in domestic demand for phosphate fertilizers in Brazil. In the first half of 2024, Brazil will enter an off-season for domestic fertilizer demand, and the phosphate fertilizer prices are expected to decrease slightly in the first quarter from a high level and reach a bottom at the end of the second quarter. In the second half of 2024, Brazil will embrace a peak season for domestic fertilizer demand, leading to a continuous rise in phosphate fertilizer prices. In 2024, the level will remain the same as in 2023 on the whole. According to the forecasts of world food safety organizations, the food production in countries such as Brazil and Argentina will remain at a historically high level in 2024, providing strong support for fertilizer demand. It is expected that the phosphate fertilizer prices in Brazil will show a steadily slight decline trend as compared to 2023.

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2024 BUSINESS PROSPECT

1. Based on future economic and market dynamics, the production guidance set by the Company are as follows:

Major products	Production guidance for 2024 *(0'000 tonnes)*
Copper metal	52-57
Cobalt metal	6-7
Molybdenum metal	1.2-1.5
Tungsten metal	0.65-0.75
Niobium metal	0.9-1.0
Phosphate fertilizer	105-125
Physical trade volume	500-600

   The above production guidance is based on the judgement of current economic environment and expected economic development trend. Whether they may be realized or not depends on the macro-economic environment, industry development, market circumstance, the efforts of the Company's management team and other factors, which is subject to uncertainty, and the Board will make timely adjustments to the above production guidance based on the market conditions and the actual business situation of the Company.

   The above production plans do not constitute substantive commitments to investors, and investors shall exercise caution about investment risk.

2. Priorities of the Company for 2024

   In 2024, the Company shall take the "Refinement Year" to lead the work throughout the year, implement the general principle of "improving quality, reducing costs and enhancing efficiency", focus on three priorities such as achievement of the full production and standards of production capacity in Africa, income increase, cost reduction and efficiency improvement in Brazil and the implementation of new strategic projects, so as to ensure that we will achieve the operation objectives, HSE objectives and business objectives.

(1) Refinement in management, further enhancing the global governance capabilities

The Company will improve the international operation system with CMOC characteristics, i.e. "Chinese-led + Chinese-foreign integration" as the management model, "5233" as the strategic structure, digital intelligence as the governance tools, "mining + trade" as the industrial structure, and a clustered layout of "headquarters + regional headquarters + core business units + platform companies"; further promote the informatization construction, realize the control of global business segments through information tools, and break through the bottleneck of the IXM information system; implement long-term incentive policies to retain core and backbone talents, and launch the second phase of equity incentives in due course; improve the system of Chief Audit Executive and strengthen the construction of the integrity supervision mechanism; deepen the construction of corporate culture, making the CMOC spirit of "challenge the impossible" has a real impact on the people, enhancing the Company's global brand influence around the four dimensions of "more responsible", "full of vitality", "internationalization" and "modernization"; be proactive in information release and interpretation, enhancing investors' recognition, understanding and support for the Company and creating a good external environment.

(2) Accelerating the conversion of resource advantages into production capacity advantages and significantly enhancing profitability

All stock projects will ramp up to full production and meet the target, and the incremental projects will be promoted efficiently and rapidly. Copper and cobalt segment: TFM will push forward the completion of the eastern zone, ramp up to full production in the first quarter and meet the target in the second quarter, KFM will maintain stable production, TFM and KFM will complete the registration of the LME copper trademarks, with an annual production capacity of more than 520,000 tonnes of copper, and more than 60,000 tonnes of cobalt; the Company will plan for production capacity expansion in Africa and commence the expansion projects of the third phase of TFM and the second phase of KFM in due course. Molybdenum and tungsten segment: the Company will accelerate Sandaozhuang synergistic mining and Shangfanggou capacity expansion; comprehensively promote the construction of Lishuwa, Hongshiyaogou and Xiaoshizha dump site. Niobium-phosphorus segment: the Company will achieve a further increase in the recovery rate of niobium, strive for achieving ferroniobium production of more than 10,000 tonnes; initiate the integrated recovery project of magnetite in the phosphorus segment.

(3) Continued efforts in cost reduction and efficiency improvement to consolidate the competitiveness of low cost

Cost reduction and greater value creation will be realized by technical innovation and management enhancement. By utilizing the functions of global sharing, centralized procurement and trading, we will rapidly develop a "one-stop" cost control system for the entire process of production, construction, logistics, procurement, manpower and engineering technology. With technological innovation and process optimization being added into their priorities, TFM and KFM will do research on the efficient and comprehensive utilization of sulfide, oxide, and mixed ores and maximize values of resources. The industrial trial on the recovery rate of Brazil BVFR will be accelerated to turn to practical technological improvements so as to practically increase the recovery rate of niobium and the production volume of ferroniobium. China operations will accelerate the harvest of experimental results on reagents of Beijing General Research Institute of Mining and Metallurgy and achieve breakthroughs in the recovery rate of Shangfanggou and the target of tungsten in Sandaozhuang.

(4) Increasing and accelerating the deployment of resources, striving to cultivate new profit growth points

The Company will strengthen its investment and research, and formulate medium- and long-term plans for project development while leveraging on the abundant investment and research resources and leading industry position of the two major shareholders and giving full play to IXM's network advantages. Relying on the Company's existing layout in Africa, South America and Southeast Asia and focusing on new energy metals and other key metals where we have advantage in, the Company will proactively reserve high-quality projects and conduct counter-cyclical mergers and acquisitions in due course, with an emphasis on resources related to the new energy industry and domestic shortages. The Company will work closer with CATL to promote the battery value chain project in Africa and the lithium brine project in Bolivia.

(5) Deepening the coordination of mining and trading, and giving full play to IXM's competitiveness in the field of global trade

The Company will study the market strategies of the world's largest cobalt producers and traders, aiming to maintaining its market position and enhancing its discourse power. It will also formulate effective sales plans and supporting mechanism for the products and fully accomplish the sales tasks. The Company will endeavor to respond to the further release of copper and cobalt production capacity while consolidating the achievements of structural reform, optimizing the organizational structure and product line structure, accelerating the informatization construction and process construction, and enhancing the logistics capacity and trading capacity.

(6) Continuously improving the sustainable development governance model and consolidating the global industry leading position in terms of ESG

According to the latest environmental, social and governance disclosure requirements of the Shanghai Stock Exchange and the Hong Kong Stock Exchange, the Company will further improve its strategic planning in sustainable development and consolidate its leading position in the industry. Meanwhile, the Company will implement the carbon neutral plan and continue to fulfill its commitment to the UN Global Compact, thereby maintaining its position as a world-class mining company with top ESG performance. The evaluation standards with the characteristics of CMOC will be established by refining the ESG management system, strengthening the strategic guidance in the environmental field and introducing new management system. The Company will publish medium- and long-term strategy with social impact, create synergy in social investment with emphasis on key strategies, and establish a unique ESG brand of CMOC.

IV. MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

Other than disclosed in this announcement, the Group did not have any material acquisition and disposal of subsidiaries, joint ventures and associates during the year ended 31 December 2023.

V. PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company or any of its subsidiaries during the year ended 31 December 2023.

VI. CORPORATE GOVERNANCE PRACTICES OF THE COMPANY

The Group has strived to uphold high standards of corporate governance to safeguard the interests of shareholders, to enhance corporate value and to implement accountability for the Group.

The Company has applied the principles and code provisions of the Corporate Governance Code as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Listing Rules**").

In the opinion of the Board, the Company has adopted and complied with all applicable code provisions as set out in the Corporate Governance Code during the year ended 31 December 2023.

The Company reviews its corporate governance practices regularly to ensure compliance with the Corporate Governance Code.

VII. AUDIT AND RISK COMMITTEE

The Audit and Risk Committee has reviewed with the management and external auditor the audited consolidated results of the Group for the year ended 31 December 2023, according to the accounting principles and practices adopted by the Group, and discussed auditing, internal controls and financial reporting matters.

VIII. MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS, SUPERVISORS AND EMPLOYEES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Hong Kong Listing Rules in respect of dealings in the Company's securities by Directors and Supervisors. Having made specific enquiries, all Directors and Supervisors have confirmed that the required standards set out in the Model Code have been complied with during the year ended 31 December 2023.

The Company has also formulated written guidelines (the "**Employees Written Guidelines**") on terms no less exacting than the Model Code for securities transactions by employees of the Company who are likely to be in possession of unpublished inside information of the Company. No incident of non-compliance against the Employees Written Guidelines by the employees has been noted by the Company after making reasonable enquiry.

IX. FURTHER ANNOUNCEMENT ON THE DATE OF ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS OF H SHARES

The Board authorized Mr. Yuan Honglin, the Chairman, to determine the date of the Company's forthcoming annual general meeting (the "**AGM**") and the closure of register of members of H shares pursuant to the relevant laws, regulations and articles of association of the Company.

Upon determination of the date of the above meeting and the closure of register of members of H shares, the Company will publish relevant notice and despatch the circular containing further information to H shareholders as soon as possible.

X. DIVIDEND

On basis of the total share capital (deducting shares in the Company's repurchase account) at the share registration date for profit distribution, the Company will distribute a cash dividend of RMB1.5425 (tax inclusive) per 10 shares to all shareholders of the Company, with an expected total cash dividend distribution of RMB3,300,072,344.65 (tax inclusive), accounting for approximately 40.00% of the net profit attributable to shareholders of the parent company for the year. During the period between the disclosure date of profit distribution plan and the share registration date of the implementation of equity distribution, if there are changes in the total share capital of the Company due to conversion of convertible shares/repurchase of shares/cancellation or repurchase of shares granted under equity incentives/cancellation or repurchase of shares due to material asset restructuring, the Company proposes to remain the per share distribution proportion unchanged, while adjusting the total distribution amount accordingly.

The proposal has been considered and approved at the twelfth meeting of the sixth session of the Board, and is subject to approval of shareholders of the Company at the AGM. The dividend distribution is expected to be completed within two months after the AGM.

The Company will send a circular containing, among others, further information in relation to the proposed distribution of final dividend and the AGM to the shareholders of the Company as soon as practicable.

XI. AUDITOR'S OPINIONS

The consolidated financial statements of the Company for the year ended 31 December 2023 prepared in accordance with the PRC Accounting Standards have been audited by Deloitte Touche Tohmatsu Certified Public Accountants LLP and an auditor's report with unqualified opinion has been issued.

XII. SUBSEQUENT EVENTS

The Group did not have any material subsequent events after 31 December 2023.

XIII. PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This results announcement has been published on the websites of the Hong Kong Stock Exchange at www.hkexnews.hk, the SSE at www.sse.com.cn and the Company at www.cmoc.com. The 2023 annual report of the Company will be sent to the shareholders of the Company and published on the aforesaid websites in due course.

By Order of the Board
CMOC Group Limited*
Yuan Honglin
Chairman

Luoyang City, Henan Province, the People's Republic of China, 22 March 2024

As at the date of this announcement, the Company's executive directors are Mr. Sun Ruiwen and Mr. Li Chaochun; the Company's non-executive directors are Mr. Yuan Honglin, Mr. Lin Jiuxin and Mr. Jiang Li; and the Company's independent non-executive directors are Mr. Wang Gerry Yougui, Ms. Yan Ye and Mr. Li Shuhua.

* *For identification purposes only*