

---

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

---

**If you are in any doubt** about this circular or as to the action to be taken, you should consult your stockbroker, or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **North Mining Shares Company Limited** (the “**Company**”), you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or the bank manager, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

---



**NORTH MINING SHARES COMPANY LIMITED**

**北方礦業股份有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 433)**

**VERY SUBSTANTIAL DISPOSAL  
IN RELATION TO  
THE PROPOSED DISPOSAL OF THE ENTIRE ISSUED SHARE CAPITAL  
OF THE TARGET COMPANY**

---

Capitalized terms used in this cover page shall have the same meanings as those defined in this circular, unless the context requires otherwise.

A notice convening the SGM (as defined in this circular) to be held at Unit 1103-06, China Building, 29 Queen's Road Central, Hong Kong on Friday, 13 March 2026 at 11:00 a.m. is enclosed with this circular. A form of proxy for use at the SGM is also enclosed. Whether or not you are able to attend the SGM in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof (as the case may be) should you so wish.

13 February 2026

---

## CONTENTS

---

	<i>Page</i>
<b>DEFINITIONS</b> .....	1
<b>LETTER FROM THE BOARD</b> .....	4
<b>APPENDIX I — FINANCIAL INFORMATION OF THE GROUP</b> .....	I-1
<b>APPENDIX II — FINANCIAL INFORMATION OF THE DISPOSAL GROUP</b> ....	II-1
<b>APPENDIX III — UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP</b> .....	III-1
<b>APPENDIX IV — MANAGEMENT DISCUSSION AND ANALYSIS OF THE REMAINING GROUP</b> .....	IV-1
<b>APPENDIX V — GENERAL INFORMATION</b> .....	V-1
<b>NOTICE OF SGM</b> .....	SGM-1

---

## DEFINITIONS

---

*In this circular, unless the context requires otherwise, the following expressions have the following meanings:*

“Anhui Tongxin”	Anhui Tongxin New Material Technology Company Limited* (安徽同心新材料科技有限公司), a company established under the laws of the PRC with limited liability and an indirect subsidiary of the Company before Completion
“associate(s)”	has the meaning as ascribed in the Listing Rules
“Board”	board of the Directors
“Business Day”	any day on which banks in Hong Kong are open for business, other than a Saturday or a Sunday or a public holiday; or a day on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.
“Company”	North Mining Shares Company Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Stock Exchange (stock code: 433)
“Completion”	completion of the Proposed Disposal pursuant to the Sale and Purchase Agreement
“Completion Date”	the third (3rd) Business Day after the date of fulfilment of the conditions precedent under the Sale and Purchase Agreement (or such other date as the parties to the Sale and Purchase Agreement may agree in writing)
“connected person(s)”	has the meaning as ascribed in the Listing Rules
“Consideration”	HK\$1 million, being the consideration for the sale and purchase of the Sale Shares

---

## DEFINITIONS

---

“Current Accounts Amount”	the aggregate amounts under the inter-company current accounts between members of the Disposal Group and the Remaining Group
“Director(s)”	the director(s) of the Company
“Disposal Group”	the Target Company and its subsidiaries
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	party(ies) which is/are independent of the Group and the connected persons of the Company
“Latest Practicable Date”	6 February 2026, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Long Stop Date”	31 March 2026 (or such other date as may be agreed between the Company and the Purchaser in writing)
“PRC”	the People’s Republic of China and, for the purpose of this circular, excluding Hong Kong, Macao Special Administrative Region of the People’s Republic of China and Taiwan
“Proposed Disposal”	the proposed disposal of the Sale Shares by the Company to the Purchaser pursuant to the Sale and Purchase Agreement
“Purchaser”	Mr. Li Xiaolong* (李小龍)
“Remaining Group”	the Group after Completion
“Sale and Purchase Agreement”	the conditional sale and purchase agreement dated 4 December 2025 entered into among the Company and the Purchaser in relation to the Proposed Disposal (as amended by the Supplemental Agreement)

---

## DEFINITIONS

---

“Sale Shares”	the entire issued share capital of the Target Company
“SFO”	Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving, among other things, the Sale and Purchase Agreement and the transactions contemplated thereunder
“Share(s)”	ordinary share(s) of HK\$0.02 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplement Agreement”	the supplemental agreement entered into between the Company and the Purchaser on 6 February 2026 to extend the Long Stop Date from 28 February 2026 to 31 March 2026
“Target Company”	久龍投資(上海)有限公司 (Jiulong Investment (Shanghai) Company Limited*), a company established under the laws of the PRC with limited liability and wholly-owned by the Company before Completion
“Waiver”	the waiver of the Current Accounts Amount at Completion
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of PRC
“%”	per cent.

---

LETTER FROM THE BOARD

---



**NORTH MINING SHARES COMPANY LIMITED**

**北方礦業股份有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 433)**

***Executive Directors:***

Yang Ying Min  
Qian Yi Dong  
Shen Jian  
Huang Zhidan  
Qian Si Qun

***Independent Non-Executive Directors:***

Shek Man Ho  
Shen Ming Jie  
Feng Jia Wei

***Registered Office:***

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

***Head office and principal place of  
business in Hong Kong:***

Room 2004-05, 20/F  
Kwan Chart Tower  
6 Tonnochy Road  
Wan Chai  
Hong Kong

13 February 2026

*To the Shareholders*

Dear Sir/Madam,

**VERY SUBSTANTIAL DISPOSAL  
IN RELATION TO  
THE PROPOSED DISPOSAL OF THE ENTIRE ISSUED SHARE CAPITAL  
OF THE TARGET COMPANY**

**INTRODUCTION**

Reference is made to the announcement of the Company dated 4 December 2025. On 4 December 2025 (after trading hours), the Company (as the vendor) and the Purchaser (as the purchaser) entered into the Sale and Purchase Agreement (as amended by the Supplemental Agreement), pursuant to which the Company has conditionally agreed to dispose of, and the Purchaser has conditionally agreed to acquire, the Sale Shares.

---

## LETTER FROM THE BOARD

---

The purpose of this circular is to provide you with, among other things, (i) further details of the Sale and Purchase Agreement (as amended by the Supplemental Agreement) and the transactions contemplated thereunder; (ii) financial information of the Group; (iii) financial information of the Disposal Group; (iv) unaudited pro forma financial statement of the Remaining Group; and (v) a notice convening the SGM.

### THE SALE AND PURCHASE AGREEMENT

Details of the Sale and Purchase Agreement (as amended by the Supplemental Agreement) are set out below:

<b>Date</b>	4 December 2025 (after trading hours)
<b>Parties</b>	(1) The Company, as the vendor; and (2) Mr. Li Xiaolong* (李小龍), as the purchaser.

### Assets to be disposed of

The Sale Shares, representing the entire equity interest of the Target Company.

### Consideration

Pursuant to the Sale and Purchase Agreement, the Consideration for the Sale Shares shall be HK\$1 million which shall be settled by the Purchaser in cash at Completion.

The Consideration of HK\$1 million represents a nominal amount arrived at after arm's length negotiations between the Company and the Purchaser, having taken into account (i) the estimated expenses (including professional fees) of the Proposed Disposal of approximately HK\$0.70 million to be borne by the Company; (ii) the strategic interest in acquiring the Disposal Group by the Purchaser given his engagement and experience in chemical-related industries as well as established business networks; (iii) the Disposal Group had unaudited net liabilities of approximately HK\$1,147 million as at 30 September 2025, which would be reduced to a net liabilities of approximately HK\$800 million on a pro forma basis after giving effect to the Waiver of the Current Accounts Amount of approximately HK\$347 million (details of which are discussed in the section headed "Waiver of the Current Accounts Amount" below); and (iv) the Disposal Group has been continuously loss-making and in a heavily indebted financial position. In view of the above, the Directors consider that a nominal Consideration of HK\$1 million is fair and reasonable, and that the Proposed Disposal offers the Group a clean exit from a loss-making and heavily indebted business segment.

---

## LETTER FROM THE BOARD

---

### **Conditions precedent**

The Completion shall be conditional upon the followings:

- (i) the passing of ordinary resolution(s) by the Shareholders at the SGM;
- (ii) the Company having obtained all necessary consents, authorisations, permits and approvals (if any) in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder (including but not limited to the sale of the Sale Shares), and the same remain in full force and effect and have not been revoked; and
- (iii) the Purchaser having obtained all necessary consents, authorisations, permits and approvals (if any) in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder (including but not limited to the sale of the Sale Shares), and the same remain in full force and effect and have not been revoked.

None of the above conditions is waivable.

If the conditions are not fulfilled on or before Long Stop Date (or such other date as the parties may agree in writing), the Sale and Purchase Agreement shall terminate and neither of the parties will have any claim against the other for costs, damages, compensation or otherwise save for any antecedent breach of the Sale and Purchase Agreement.

As at the Latest Practicable Date, none of the above conditions had been fulfilled.

### **Completion**

Completion shall take place on the Completion Date, which shall be the third (3rd) Business Day after fulfilment of all the conditions precedent.

### **Waiver of the Current Accounts Amount**

As at 30 September 2025, the Current Accounts Amount owed by the Disposal Group to the Remaining Group amounted to approximately HK\$347 million. The Current Accounts Amount comprises interest-free, unsecured funding advanced by the Remaining Group to the Disposal Group throughout the past years, primarily to support its chemical trading operations.

Pursuant to the Sale and Purchase Agreement, the Current Accounts Amount shall be waived by the Remaining Group at Completion which constitutes the Waiver.

---

## LETTER FROM THE BOARD

---

### INFORMATION ON THE PARTIES

#### The Company and the Group

The Company is an investment holding company. The Group comprises the Disposal Group and the Remaining Group.

The Disposal Group is principally engaged in (i) chemical trading operations — manufacturing and sale of chemical products; and (ii) aluminum metal trading operations — sale of aluminum plates.

The Remaining Group is principally engaged in mining operation — exploitation and exploration of mineral resources (the “**Mining Business**”).

#### The Purchaser

The Purchaser is a PRC individual and a businessman experienced in real estate, investment properties and chemical-related industries.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the Purchaser is an Independent Third Party.

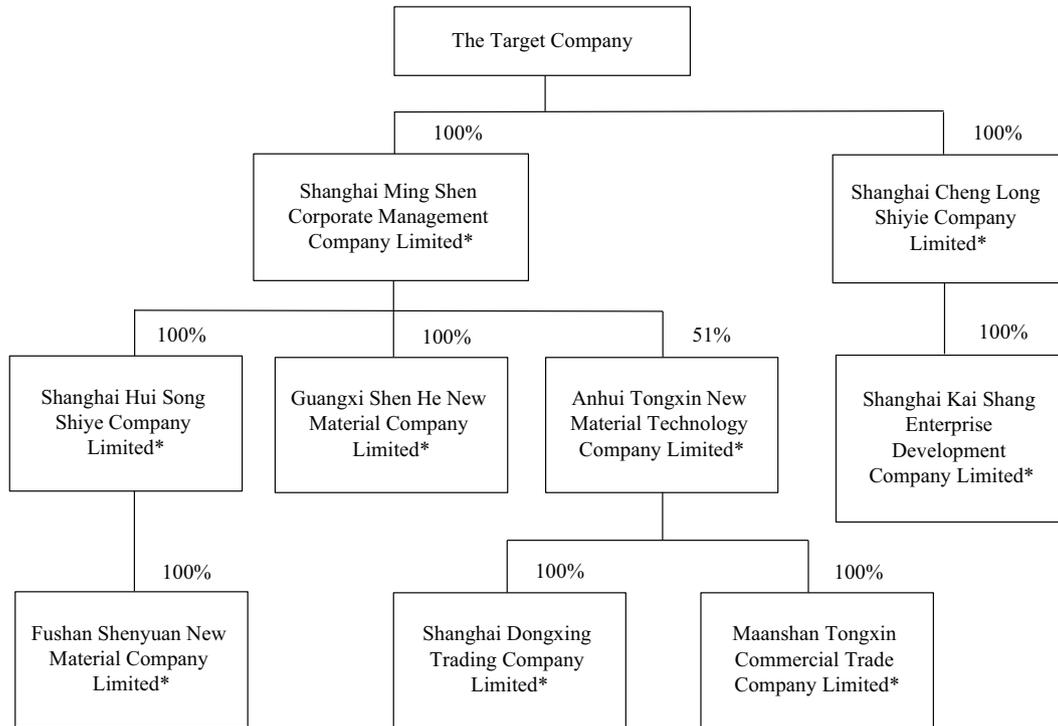
---

## LETTER FROM THE BOARD

---

### INFORMATION OF THE DISPOSAL GROUP

Set out below is the shareholding structure of the Disposal Group:



The Target Company is an investment holding company established under the laws of the PRC with limited liability and a direct wholly-owned subsidiary of the Company.

Shanghai Cheng Long Shiyie Company Limited\* (上海乘礪實業有限公司) is an investment holding company established under the laws of the PRC with limited liability, and is wholly-owned by the Target Company.

Shanghai Kai Shang Enterprise Development Company Limited\* (上海楷商企業發展有限公司) is an investment holding company established under the laws of the PRC with limited liability, and is wholly-owned by Shanghai Cheng Long Shiyie Company Limited\*.

Shanghai Ming Shen Corporate Management Company Limited\* (上海銘勝企業管理有限公司) is an investment holding company established under the laws of the PRC with limited liability, and is wholly-owned by the Target Company.

Shanghai Hui Song Shiyie Company Limited\* (上海匯頌寶實業有限公司) is an investment holding company established under the laws of the PRC with limited liability, and is wholly-owned by Shanghai Ming Shen Corporate Management Company Limited\*.

---

## LETTER FROM THE BOARD

---

Fushan Shen Yuan New Material Company Limited\* (佛山申源新材料有限公司) is a company established under the laws of the PRC with limited liability, and is wholly-owned by Shanghai Hui Song Shiye Company Limited\*. It is the operating subsidiary engaged in the Group's aluminum metal trading operations. The Group commenced its aluminum metal trading operations in the second half of 2024. This business segment has generated only minimal revenue since its commencement and does not hold any material assets.

Guangxi Shen He New Material Company Limited\* (廣西申合新材料有限公司) is an investment holding company established under the laws of the PRC with limited liability, and is wholly-owned by Shanghai Ming Shen Corporate Management Company Limited\*.

Anhui Tongxin is a company established under the laws of the PRC with limited liability, and is 51% owned by Shanghai Ming Shen Corporate Management Company Limited\*. The remaining 49% is owned by Shanghai Misong Corporate Management Company Limited\* (上海米松企業管理有限公司), a company which is 95% beneficially owned by Mr. Hua Zhihui\* (華志輝). Accordingly, Shanghai Misong Corporate Management Company Limited\* is a substantial shareholder of Anhui Tongxin, and therefore Shanghai Misong Corporate Management Company Limited\* and Mr. Hua Zhihui\* are both considered as connected persons at the subsidiary level of the Company under Chapter 14A of the Listing Rules.

Shanghai Dongxing Trading Company Limited\* (上海垵榮貿易有限公司) is a company established under the laws of the PRC with limited liability, and is wholly-owned by Anhui Tongxin.

Maanshan Tongxin Commercial Trade Company Limited\* (馬鞍山同芯商貿有限公司) is a company established under the laws of the PRC with limited liability, and is wholly-owned by Anhui Tongxin.

Anhui Tongxin, together with Shanghai Dongxing Trading Company Limited\* and Maanshan Tongxin Commercial Trade Company Limited\*, are the operating subsidiaries engaged in the Group's chemical trading operations (collectively, the **“Chemical Business Operating Subsidiaries”**).

Save for the Chemical Business Operating Subsidiaries, each of the other members of the Disposal Group does not conduct any material operations nor hold any material assets of the Group.

---

## LETTER FROM THE BOARD

---

### Financial information of the Disposal Group

Set out below is the consolidated financial information of the Disposal Group as extracted from its unaudited consolidated management accounts prepared in accordance with the Hong Kong Financial Reporting Standards for the two financial years ended 31 December 2023 and 2024.

	For the year ended	
	31 December	
	2024	2023
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Revenue <sup>(Note 2)</sup>	993,849	1,533,714
Net (loss)/profit before taxation	(241,942)	(145,344)
		(Note 1)
Net (loss)/profit after taxation <sup>(Note 2)</sup>	(241,942)	(145,344)
		(Note 1)
	As at 31 December	
	2024	2023
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Total assets	255,377	390,688
Total liabilities	1,298,471	1,224,102
Net assets/(liabilities)	(1,043,094)	(833,414)

*Notes:*

1. excluding other income of approximately HK\$202 million recognised in 2023, which was non-operational in nature and arose from the capitalisation of a loan into equity pursuant to the scheme implemented by the Company that was completed on 29 September 2023.
2. For the year ended 31 December 2024, the decrease in revenue was primarily due to sluggish demand as well as intensified competition from market players. The increase in net loss was primarily due to the decline in revenue coupled with lower product selling prices and less demand of products.

As at 30 September 2025, the unaudited total assets, total liabilities and net liabilities of the Disposal Group amounted to approximately HK\$365 million, HK\$1,512 million and HK\$1,147 million, respectively.

---

## LETTER FROM THE BOARD

---

### The Mining Business

Upon Completion, the Mining Business will become the sole principal business of the Remaining Group.

The Mining Business principally comprises exploitation, exploration, production and sales of molybdenum concentrate in the PRC. These operations have been conducted through the Company's subsidiary, namely Shaanxi Province Luo Nan Xian Jiulong Kuangye Company Limited ("**Jiulong Kuangye**"), for over a decade since December 2009.

Jiulong Kuangye holds the exploitation right of molybdenum mines located at Xi Ban Cha Gou, Huanglongpu Village, Shimen Town, Luonan County, Shaanxi Province, the PRC (中國陝西省洛南縣石門鎮黃龍鋪村西板岔溝). The mining license is valid until February 2034, and covers a total site area of approximately 1,345 km<sup>2</sup>.

Jiulong Kuangye operates nine processing plants with a total designed daily processing capacity of approximately 10,000 tonnes of raw mineral ores. The raw mineral ores extracted by the Group at its molybdenum mines will then be processed at its processing plants into molybdenum concentrate. The Group's maximum annual production capacity of molybdenum concentrate is approximately 6,500 tonnes. The molybdenum concentrate will be sold to the customers after further processed by Jiulong Kuangye. For the six months ended 30 June 2025, the Group had produced approximately 3,396 tonnes of molybdenum concentrate. It is estimated that the Group's annual production of molybdenum concentrate will amount to approximately 6,000 tonnes for each of the years ending 31 December 2025, 2026 and 2027.

According to an independent technical report prepared in 2009, the molybdenum mines contained estimated ore resources of approximately 121 million tonnes, including approximately 178,404 tonnes of molybdenum concentrate. Up to 30 June 2025, the Group had produced approximately 45,338 tonnes of molybdenum concentrate, leaving an estimated remaining molybdenum concentrate of over 130,000 tonnes. The grading of molybdenum concentrate produced by the Group generally ranges from approximately 45% to 50%.

Molybdenum metal, being the primary product of the Mining Business, has a wide range of applications including the manufacture of aircraft parts, electrical contacts, industrial motors, filaments and as an alloying agent in steel manufacturing. The Group's molybdenum concentrate is further processed into ferromolybdenum by sub-contractor(s), and then sold at higher profit margin to its customers.

---

## LETTER FROM THE BOARD

---

Customers of the Mining Business generally include corporations engaged in machining ferromolybdenum business, steel manufacturing business, etc., while the suppliers are mainly construction companies, electricity companies, processing and mining equipment companies for provision of construction services (e.g. processing plants, administrative buildings, canteens, dormitories, hostels, equipment maintenance workshops etc.), electricity, processing equipment to the operations of the Group's molybdenum mines.

The Mining Business is currently operating at full capacity, and employs approximately 330 staff, among which approximately 100 are managerial and/or professional and technical staff. The Group has the required level of workforce with sufficient knowledge, experience and calibre to carry out the Mining Business. As disclosed in the interim report of the Company for the six months ended 30 June 2025, the Mining Business recorded (i) segment revenue and profit of approximately HK\$515 million and HK\$172 million, respectively, which were primarily contributed by the sales of the molybdenum concentrate; and (ii) segment assets, liabilities and net assets of approximately HK\$1,238 million, HK\$874 million and HK\$364 million, respectively.

Following Completion, the Remaining Group will continue to conduct and develop its existing principal Mining Business on a long-term basis, but will no longer engage in chemical trading operations. The Company has no current intention to introduce any material changes to the assets or operations of the Mining Business, nor downsize or dispose of the Mining Business or its material assets other than in the ordinary and usual course of business.

### **REASONS FOR AND BENEFITS OF THE PROPOSED DISPOSAL**

The Company has been evaluating the Group's current businesses strategies with a view to enhancing overall performance.

The financial performance of the Disposal Group is primarily attributed from the chemical trading operating results of Anhui Tongxin and its subsidiaries.

The Group's chemical trading operations mainly comprise manufacturing and sale of chemical products in the PRC, which are conducted by Anhui Tongxin. Despite continuous effort to improve its operation, the Group's chemical trading operations have recorded unsatisfactory financial performance, with consecutive net losses for the two years ended 31 December 2024 and for the six months ended 30 June 2025. At the same time, the Disposal Group recorded net liabilities of approximately HK\$1,147 million as at 30 September 2025, exerting a substantial adverse impact on the Group's overall financial position. The Company therefore has been identifying possible course of terminating or disposing the operation of Anhui Tongxin with the aim to improve the Group's overall financial performance.

---

## LETTER FROM THE BOARD

---

The Directors consider that the Proposed Disposal represents a valuable opportunity for the Group to restructure its strategic business focus and redirect resources towards developing its principal Mining Business, which recorded a significant and satisfactory segment revenue of approximately HK\$515 million and segment profit of approximately HK\$172 million for the six months ended 30 June 2025.

Furthermore, upon Completion, the financial position of the Remaining Group is expected to improve substantially. For illustrative purposes only, according to the unaudited pro forma financial information of the Remaining Group set out in Appendix III to this circular, (i) the Remaining Group will turnaround from net liabilities position of approximately HK\$479 million to net assets position of approximately HK\$625 million; and (ii) the equity attributable to owners of the Company will increase from approximately HK\$115 million to HK\$706 million. This will place the Company on solid financial footing and allow the Company to focus on growing its principal businesses, as well as facilitate future fundraising opportunities for the Remaining Group in the event that the Company has any such needs arises and such plan emerges.

Having considered the above reasons and benefits, the Directors consider that the terms of the Sale and Purchase Agreement are fair and reasonable and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

### FINANCIAL EFFECT OF THE PROPOSED DISPOSAL

Upon Completion, the Company will dispose its entire equity interest of the Target Company, and therefore the Target Company will cease to be a subsidiary of the Group, and its financial results, assets and liabilities will no longer be consolidated into the consolidated financial statements of the Group. The Remaining Group will cease to engage in chemical trading operations and aluminum metal trading operations. It is expected that subsequent to the Proposed Disposal, there will not be any further contribution from these segments.

The Group is expected to record a gain (before tax and expenses) of approximately HK\$267 million from the Proposed Disposal, which is estimated with reference to (i) the Consideration of HK\$1 million; (ii) the Waiver of the Current Accounts Amount of approximately HK\$347 million as at 30 September 2025; (iii) the net liabilities of the Disposal Group attributable to the Company of approximately HK\$637 million as at 30 September 2025; and (iv) release of exchange reserve attributable to the Proposed Disposal of approximately HK\$24 million (the “**Expected Gain**”).

According to the unaudited pro forma financial information of the Remaining Group set out in Appendix III to this circular, assuming the Proposed Disposal and the Waiver had been completed on 30 June 2025, (i) the total assets of the Remaining Group would be reduced from

---

## LETTER FROM THE BOARD

---

approximately HK\$1,561 million to HK\$1,259 million; (ii) the total liabilities of the Remaining Group would be reduced from approximately HK\$2,040 million to HK\$635 million; (iii) the Remaining Group will turnaround from net liabilities position of approximately HK\$479 million to net assets position of approximately HK\$625 million; and (iv) the equity attributable to owners of the Company would be increased from approximately HK\$115 million to HK\$706 million.

Shareholders should note that the actual financial effect on the Group from the Proposed Disposal depends on, among others, the financial position of the Disposal Group at Completion and is subject to final audit.

No material net proceeds are expected to arise from the Proposed Disposal after deducting the relevant expenses (including the professional fees) of approximately HK\$0.70 million from the Consideration of HK\$1 million. Any balance of the net proceeds will be applied for as general working capital of the Remaining Group.

### **LISTING RULES IMPLICATIONS**

As the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of the Proposed Disposal exceeds 75%, the Proposed Disposal constitutes a very substantial disposal of the Company under Chapter 14 of the Listing Rules, and is therefore subject to the notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, no Shareholder has a material interest in the Sale and Purchase Agreement and the transactions contemplating thereunder and hence, no Shareholder will be required to abstain from voting on the resolution(s) to be proposed at the SGM.

### **SGM**

The SGM will be convened and held to consider and, if thought fit, pass the ordinary resolution(s) to approve the Sale and Purchase Agreement and the transactions contemplated thereunder.

The notice of the SGM is set out on pages SGM-1 to SGM-2 of this circular. The register of members of the Company will be closed from Tuesday, 10 March 2026 to Friday, 13 March 2026 (both dates inclusive), during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the SGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong

---

## LETTER FROM THE BOARD

---

not later than 4:30 p.m. on Monday, 9 March 2026. A form of proxy for use in connection with the SGM is enclosed with this circular and can also be downloaded from the respective websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.northmining.com.hk](http://www.northmining.com.hk)). If you are not able or do not intend to attend the SGM and wish to exercise your right as a Shareholder, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return the completed form of proxy to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible but in any event, not later than 48 hours before the time appointed for holding the SGM or its adjournment (as the case may be). Completion and return of the form of proxy will not preclude any Shareholder from attending and voting in person at the SGM or its adjournment should he/she/it so wish. If the Shareholder attends and votes at the SGM, the instrument appointing the proxy will be deemed to have been revoked.

### RECOMMENDATION

The Board is of the view that the terms of the Sale and Purchase Agreement have been negotiated on an arm's length basis, on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Independent Shareholders to vote in favour of the resolution(s) to be proposed at the SGM.

**Completion is subject to fulfilment of various conditions precedent and therefore, may or may not take place. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

### ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

For and on behalf of  
**NORTH MINING SHARES COMPANY LIMITED**  
**Yang Ying Min**  
*Chairman*

## 1. FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group for each of the three years ended 31 December 2022, 2023 and 2024, and for the six months ended 30 June 2025, are disclosed in the following documents which have been published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the website of the Company at [www.northmining.com.hk](http://www.northmining.com.hk):

- (i) Annual report of the Company for the year ended 31 December 2022  
(<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0530/2023053000362.pdf>)
- (ii) Annual report of the Company for the year ended 31 December 2023  
(<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0501/2024050100009.pdf>)
- (iii) Annual report of the Company for the year ended 31 December 2024  
(<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0430/2025043001712.pdf>)
- (iv) Interim report of the Company for the six months ended 30 June 2025  
(<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0926/2025092600857.pdf>)

## 2. INDEBTEDNESS STATEMENT

As at the close of business on 31 December 2025, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the Group had outstanding indebtedness as summarised below:

	<i>HK\$'000</i>
Secured and guaranteed:	
Bank borrowings	43,558
Secured and guaranteed:	
Other borrowings	645,708
Unsecured and unguaranteed:	
Other borrowings	63,097
	<u>752,363</u>

Save as aforesaid or otherwise disclosed herein, and apart from intragroup liabilities and normal trade payables in the ordinary course of business, as at the close of business on 31 December 2025, the Group did not have any debt securities issued and outstanding, and authorised or created but unissued, or any term loans, other borrowings or indebtedness in the nature of

borrowings including bank overdrafts, loans, liabilities under acceptances (other than normal trade bills), acceptance credits, other recognised lease liabilities, lease commitments, hire purchase commitments, mortgages or charges, contingent liabilities or guarantees outstanding.

### **3. WORKING CAPITAL**

The Directors, after due and careful consideration and taking into account the effects of the Proposed Disposal and the financial resources available to the Group, the Group will have sufficient working capital for at least the next twelve months from the date of this circular in the absence of unforeseen circumstances.

The Company has obtained the relevant confirmation as required under Rule 14.66(12) of the Listing Rules.

### **4. MATERIAL ADVERSE CHANGE**

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2024, being the date to which the latest published audited consolidated financial statements of the Group were made up.

### **5. FINANCIAL AND TRADING PROSPECTS OF THE REMAINING GROUP**

Global economies are expected to continue facing various macroeconomic challenges, including geopolitical uncertainties, inflation and tightened financial conditions. Looking forward, the Remaining Group aims to improve its resilience through strategic management, the continued development and expansion of its Mining Business.

The Remaining Group has successfully renewed the mining licence of molybdenum mine and plans to further invest in and upgrade the mining operation machine system. These improvements are intended to enhance the production efficiency, operational safety and environmental performance.

In molybdenum market, the operational landscape of China's steel industry is the key factor that affects the development of the country's molybdenum market. In respond to China's environmental protection policy and supply-side reform policy, steel factories are increasingly required to transform their operations and shift to produce high quality special steel. Meanwhile, the normalization of production restriction during the autumn/winter seasons is expected to accelerate the enhancement and reconstruction of the steel industry, there are still ample room to

increase the production of stainless steel and high strength steel. All the factors stated above will further drive up the demand for molybdenum, and it is expected that the demand for molybdenum in China will keep increasing.

The Remaining Group will continue to be receptive to the market's views candidly and humbly. It will endeavor to maintain effective communication with stakeholders. As a way to gauge capital markets' perception of the Remaining Group, the Remaining Group will continue to improve the quality of investor relations management and will ponder on investors' concerns and advices in order to further enhance the Remaining Group's operating management and corporate governance. The investor relations department will maintain professionalism at its work so that capital markets will be able to gain a thorough understanding of the Remaining Group's business. This will help unlock the potential investment value and contribute to the long term and healthy development of the Remaining Group.

The Remaining Group will make every endeavor to keep abreast of the challenging market conditions, proactively identify investment opportunities and expand its mineral resources in order to broaden the revenue base of the Remaining Group, enhance its future financial performance and profitability, and fine tune its business strategies as and when the Directors think appropriate. Moreover, the Remaining Group is seeking for further operating efficiency across the business. The Remaining Group is confident in the future and committed to continuous growth of the Company.

---

## APPENDIX II FINANCIAL INFORMATION OF THE DISPOSAL GROUP

---

### UNAUDITED FINANCIAL INFORMATION OF THE DISPOSAL GROUP

Set out below are the unaudited consolidated statement of financial position of 久龍投資(上海)有限公司 (Jiulong Investment (Shanghai) Company Limited\*) (the “**Target Company**”) and its subsidiaries which is principally engaged in the Group’s chemical trading operations (collectively, the “**Disposal Group**”) as at 31 December 2022, 2023 and 2024 and 30 September 2025, and the unaudited consolidated statement of profit or loss, unaudited consolidated statement of profit or loss and other comprehensive income, the unaudited consolidated statement of changes in equity and the unaudited consolidated statement of cash flows of the Disposal Group for the years then ended 31 December 2022, 2023 and 2024 and the nine months ended 30 September 2024 and 2025 (“**the Relevant Periods**”), and explanatory notes (collectively referred to as the “**Unaudited Financial Information**”).

The Unaudited Financial Information of the Disposal Group has been prepared in accordance with Rule 14.68(2)(a)(i) of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and prepared on the basis set out in note 2 to the Unaudited Financial Information. The Unaudited Financial Information is prepared by the directors of North Mining Shares Company Limited (the “**Company**”) using the accounting policies of the Company solely for the purposes of inclusion in this circular in connection with the Proposed Disposal.

Suya WWC CPA Limited, Certified Public Accountants, the auditor of the Company, was engaged to review the Unaudited Financial Information of the Disposal Group set out on pages II-1 to II-11 of this circular, in accordance with Hong Kong Standard on Review Engagements 2410 (Revised), “Engagements to Review Historical Financial Statements” and with reference to Practice Note 750, “Review of Financial Information under the Hong Kong Listing Rules for a Very Substantial Disposal”, issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable the auditors to obtain assurance that the auditors would become aware of all significant matters that might be identified in an audit. Accordingly, the auditors do not express an audit opinion.

Based on their review, nothing has come to their attention that causes them to believe that the Unaudited Financial Information of the Disposal Group for the relevant periods is not prepared, in all material respects, in accordance with the basis of preparation set out in note 2 below. The auditor of the Company’s responsibility is to express a conclusion on the Unaudited Financial Information.

## APPENDIX II FINANCIAL INFORMATION OF THE DISPOSAL GROUP

### UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

*For the year ended 31 December 2022, 2023 and 2024 and the nine months ended 30 September 2024 and 2025*

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	<i>HK\$'000</i> (Unaudited)	<i>HK\$'000</i> (Unaudited)	<i>HK\$'000</i> (Unaudited)	<i>HK\$'000</i> (Unaudited)	<i>HK\$'000</i> (Unaudited)
Revenue	1,074,334	1,533,714	993,849	798,793	606,638
Cost of sales	(985,441)	(1,441,307)	(920,909)	(786,514)	(586,543)
<b>Gross profit</b>	88,893	92,407	72,940	12,279	20,095
Other income	1,543	324	173	136	383
Other (losses)/gains, net ( <i>note</i> )	(107,246)	119,461	(47,419)	(321)	(319)
Provision for impairment losses under expected credit loss, net	(240)	(8,923)	(5,034)	585	—
Administrative expenses	(41,977)	(43,634)	(41,370)	(33,882)	(37,127)
Research and development cost	(32,048)	(46,464)	(37,833)	(26,642)	(19,541)
<b>Operating (loss)/profit</b>	(91,075)	113,171	(58,543)	(47,845)	(36,509)
Finance costs	(77,690)	(56,537)	(183,399)	(39,132)	(38,729)
<b>(Loss)/profit before income tax</b>	(168,765)	56,634	(241,942)	(86,977)	(75,238)
Taxation	—	—	—	—	—
<b>(Loss)/profit for the year/period</b>	<u>(168,765)</u>	<u>56,634</u>	<u>(241,942)</u>	<u>(86,977)</u>	<u>(75,238)</u>

## APPENDIX II FINANCIAL INFORMATION OF THE DISPOSAL GROUP

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	<i>HK\$'000</i> <i>(Unaudited)</i>	<i>HK\$'000</i> <i>(Unaudited)</i>	<i>HK\$'000</i> <i>(Unaudited)</i>	<i>HK\$'000</i> <i>(Unaudited)</i>	<i>HK\$'000</i> <i>(Unaudited)</i>
Attributable to:					
Owners of the parent	(93,723)	129,713	(122,685)	(43,689)	(38,590)
Non-controlling interests	(75,042)	(73,079)	(119,257)	(43,288)	(36,648)
<b>(Loss)/profit for the year/period</b>	<b>(168,765)</b>	<b>56,634</b>	<b>(241,942)</b>	<b>(86,977)</b>	<b>(75,238)</b>
<b>Other comprehensive</b>					
<b>(expenses)/income (net of tax effect):</b>					
<i>Items that may be reclassified</i>					
<i>subsequently to profit or loss:</i>					
Exchange differences	69,564	21,020	32,262	(7,783)	(28,548)
<b>Total comprehensive (expenses)/income</b>					
<b>for the year/period</b>	<b>(99,201)</b>	<b>77,654</b>	<b>(209,680)</b>	<b>(94,760)</b>	<b>(103,786)</b>
Attributable to:					
Owners of the parent	(45,627)	143,664	(104,694)	(47,927)	(54,269)
Non-controlling interests	(53,574)	(66,010)	(104,986)	(46,833)	(49,517)
<b>Total comprehensive (expenses)/income</b>					
<b>for the year/period</b>	<b>(99,201)</b>	<b>77,654</b>	<b>(209,680)</b>	<b>(94,760)</b>	<b>(103,786)</b>

*Note:* Other gains of approximately HK\$202 million recognised in 2023, which was non-operational in nature and arose from the capitalisation of a loan into equity pursuant to the scheme implemented by the Company that was completed on 29 September 2023.

Detail of other (losses)/gains as follow:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	<i>HK\$'000</i> <i>(Unaudited)</i>	<i>HK\$'000</i> <i>(Unaudited)</i>	<i>HK\$'000</i> <i>(Unaudited)</i>	<i>HK\$'000</i> <i>(Unaudited)</i>	<i>HK\$'000</i> <i>(Unaudited)</i>
Gain on debt restructuring	—	201,978	—	—	—
Depreciation of right-of-use assets	(453)	(434)	(427)	(321)	(319)
Sales of obsolete inventories	(106,793)	(77,820)	(46,992)	—	—
Impairment on inventories	—	(3,323)	—	—	—
Impairment on right-of-use assets	—	(149)	—	—	—
Impairment on property, plant and equipment	—	(791)	—	—	—
<b>Other (losses)/gains, net</b>	<b>(107,246)</b>	<b>119,461</b>	<b>(47,419)</b>	<b>(321)</b>	<b>(319)</b>

## APPENDIX II FINANCIAL INFORMATION OF THE DISPOSAL GROUP

### UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*As at 31 December 2022, 2023 and 2024 and 30 September 2024 and 2025*

	As at 31 December			As at 30 September	
	2022	2023	2024	2024	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	132,154	94,794	59,832	70,733	35,941
Right-of-use assets	18,652	17,660	16,633	17,443	16,758
Prepayment	—	3,084	—	—	—
	150,806	115,538	76,465	88,176	52,699
<b>Current assets</b>					
Inventories	247,957	132,711	101,107	180,188	115,388
Trade receivables	9,468	116,001	40,309	54,149	32,366
Prepayments, deposits and other receivables	65,349	25,752	30,830	122,210	163,552
Cash and cash equivalents	4,805	686	6,666	12,613	982
	327,579	275,150	178,912	369,160	312,288
<b>Total assets</b>	478,385	390,688	255,377	457,336	364,987
<b>EQUITY</b>					
Share capital	69,799	69,799	69,799	69,799	69,799
Reserves	(667,262)	(523,598)	(628,292)	(571,525)	(682,561)
Equity attributable to owners of the Company	(597,463)	(453,799)	(558,493)	(501,726)	(612,762)
Non-controlling interests	(313,605)	(379,615)	(484,601)	(426,448)	(534,118)
<b>Total equity</b>	(911,068)	(833,414)	(1,043,094)	(928,174)	(1,146,880)

## APPENDIX II FINANCIAL INFORMATION OF THE DISPOSAL GROUP

	As at 31 December			As at 30 September	
	2022	2023	2024	2024	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Bank loans and other borrowings	—	—	—	—	21,840
	—	—	—	—	21,840
<b>Current liabilities</b>					
Trade payables	275,535	363,570	253,686	403,198	279,707
Other payables	508,904	473,247	638,904	551,298	819,405
Contract liabilities	118,569	14,103	33,386	44,884	37,653
Bank loans and other borrowings	486,445	373,182	372,495	386,130	353,262
	1,389,453	1,224,102	1,298,471	1,385,510	1,490,027
<b>Total liabilities</b>	<b>1,389,453</b>	<b>1,224,102</b>	<b>1,298,471</b>	<b>1,385,510</b>	<b>1,511,867</b>
<b>Total equity and liabilities</b>	<b>478,385</b>	<b>390,688</b>	<b>255,377</b>	<b>457,336</b>	<b>364,987</b>

## APPENDIX II FINANCIAL INFORMATION OF THE DISPOSAL GROUP

### UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

*For the year ended 31 December 2022, 2023 and 2024 and the nine months end 30 September 2024 and 2025*

	Share Capital <i>HK\$'000</i> <i>(Unaudited)</i>	Exchange Reserves <i>HK\$'000</i> <i>(Unaudited)</i>	Accumulated Loss <i>HK\$'000</i> <i>(Unaudited)</i>	Non- controlling Interests <i>HK\$'000</i> <i>(Unaudited)</i>	Total <i>HK\$'000</i> <i>(Unaudited)</i>
At 1 January 2022	69,799	(40,411)	(581,224)	(260,031)	(811,867)
Loss for the year	—	—	(93,723)	(75,042)	(168,765)
Exchange differences arising on translation of financial statements of foreign operations	—	48,096	—	21,468	69,564
Total comprehensive expenses for the year	—	48,096	(93,723)	(53,574)	(99,201)
At 31 December 2022 and at 1 January 2023	69,799	7,685	(674,947)	(313,605)	(911,068)
Profit/(loss) for the year	—	—	129,713	(73,079)	56,634
Exchange differences arising on translation of financial statements of foreign operations	—	13,951	—	7,069	21,020
Total comprehensive income for the year	—	13,951	129,713	(66,010)	77,654
At 31 December 2023 and at 1 January 2024	69,799	21,636	(545,234)	(379,615)	(833,414)
Loss for the year	—	—	(122,685)	(119,257)	(241,942)
Exchange differences arising on translation of financial statements of foreign operations	—	17,991	—	14,271	32,262
Total comprehensive expenses for the year	—	17,991	(122,685)	(104,986)	(209,680)
At 31 December 2024	<u>69,799</u>	<u>39,627</u>	<u>(667,919)</u>	<u>(484,601)</u>	<u>(1,043,094)</u>

---

**APPENDIX II FINANCIAL INFORMATION OF THE DISPOSAL GROUP**


---

	<b>Share</b>	<b>Exchange</b>	<b>Accumulated</b>	<b>Non-</b>	
	<b>Capital</b>	<b>Reserves</b>	<b>Loss</b>	<b>controlling</b>	<b>Total</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
At 1 January 2024	69,799	21,636	(545,234)	(379,615)	(833,414)
Loss for the period	—	—	(43,689)	(43,288)	(86,977)
Exchange differences arising on translation of financial statements of foreign operations	—	(4,238)	—	(3,545)	(7,783)
Total comprehensive expenses for the period	—	(4,238)	(43,689)	(46,833)	(94,760)
At 30 September 2024	<u>69,799</u>	<u>17,398</u>	<u>(588,923)</u>	<u>(426,448)</u>	<u>(928,174)</u>
At 1 January 2025	69,799	39,627	(667,919)	(484,601)	(1,043,094)
Loss for the period	—	—	(38,590)	(36,648)	(75,238)
Exchange differences arising on translation of financial statements of foreign operations	—	(15,679)	—	(12,869)	(28,548)
Total comprehensive expenses for the period	—	(15,679)	(38,590)	(49,517)	(103,786)
At 30 September 2025	<u>69,799</u>	<u>23,948</u>	<u>(706,509)</u>	<u>(534,118)</u>	<u>(1,146,880)</u>

## APPENDIX II FINANCIAL INFORMATION OF THE DISPOSAL GROUP

### UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

*For the year ended 31 December 2022, 2023 and 2024 and the nine months ended 30 September 2024 and 2025*

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	<i>HK\$'000</i> <i>(Unaudited)</i>	<i>HK\$'000</i> <i>(Unaudited)</i>	<i>HK\$'000</i> <i>(Unaudited)</i>	<i>HK\$'000</i> <i>(Unaudited)</i>	<i>HK\$'000</i> <i>(Unaudited)</i>
<b>Cash flows from operating activities</b>					
(Loss)/profit before income tax	(168,765)	56,634	(241,942)	(86,977)	(75,238)
Bank interest income	(16)	(18)	(9)	(7)	(2)
Depreciation of property, plant and equipment	37,689	35,743	35,272	26,496	26,527
Depreciation of right-of-use assets	453	434	427	321	319
Impairment loss on property, plant and equipment	—	791	—	—	—
Impairment loss on right-of-use assets	—	149	—	—	—
Impairment loss on inventory	—	3,323	—	—	—
Gain on debt restructuring	—	(201,978)	—	—	—
Provision for/(reversal of) impairment losses of under ECL model	240	8,923	5,034	(585)	—
Interest on bank and other borrowings and corporate bonds	77,690	56,537	183,399	39,132	38,729
Gain on disposal of property, plant and equipment	—	—	—	—	(15)
<b>Operating loss before working capital changes</b>	<b>(52,709)</b>	<b>(39,462)</b>	<b>(17,819)</b>	<b>(21,620)</b>	<b>(9,680)</b>
Decrease/(increase) in inventories	(93,379)	106,606	27,573	(45,780)	(11,454)
Decrease/(increase) in trade and bill receivables, prepayments, deposits and other receivables	11,137	(80,665)	65,053	(29,471)	(31,364)
Increase/(decrease) in trade and bill payables, other payables and accruals	138,890	13,301	(71,661)	101,921	55,963
<b>Cash generated/(used in) from operations</b>	<b>3,939</b>	<b>(220)</b>	<b>3,146</b>	<b>5,050</b>	<b>3,465</b>
Tax paid	(7)	—	—	—	—

## APPENDIX II FINANCIAL INFORMATION OF THE DISPOSAL GROUP

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	<i>HK\$'000</i> <i>(Unaudited)</i>	<i>HK\$'000</i> <i>(Unaudited)</i>	<i>HK\$'000</i> <i>(Unaudited)</i>	<i>HK\$'000</i> <i>(Unaudited)</i>	<i>HK\$'000</i> <i>(Unaudited)</i>
<b>Net cash (used in)/generated from operating activities</b>	<b>3,932</b>	<b>(220)</b>	<b>3,146</b>	<b>5,050</b>	<b>3,465</b>
<b>Cash flows from investing activities</b>					
Interest received	16	18	9	7	2
Acquisition of property, plant and equipment	(2,986)	(2,034)	(2,941)	(2,302)	(1,266)
Proceeds from disposal of property, plant and equipment	—	—	—	—	28
<b>Net cash used in investing activities</b>	<b>(2,970)</b>	<b>(2,016)</b>	<b>(2,932)</b>	<b>(2,295)</b>	<b>(1,236)</b>
<b>Cash flows from financing activities</b>					
Proceed from bank loans and other borrowings	2,320	2,977	27,845	25,884	24,891
Loans interest paid	(1,148)	(1,438)	(5,256)	(574)	(907)
Repayment of bank loans and other borrowings	(1,160)	(4,410)	(15,425)	(15,465)	(32,249)
<b>Net cash generated from/(used in) financing activities</b>	<b>12</b>	<b>(2,871)</b>	<b>7,164</b>	<b>9,845</b>	<b>(8,265)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>974</b>	<b>(5,107)</b>	<b>7,378</b>	<b>12,600</b>	<b>(6,036)</b>
Cash and bank balances at 1 January	4,273	4,805	686	686	6,666
Effect of foreign exchange rate changes, net	(442)	988	(1,398)	(673)	352
<b>Cash and bank balances at 31 December</b>	<b>4,805</b>	<b>686</b>	<b>6,666</b>	<b>12,613</b>	<b>982</b>
<b>Analysis of balances of cash and cash equivalents</b>					
Cash and bank balances	4,805	686	6,666	12,613	982

---

## APPENDIX II FINANCIAL INFORMATION OF THE DISPOSAL GROUP

---

### NOTES TO THE UNAUDITED FINANCIAL INFORMATION

#### 1. GENERAL INFORMATION

Jiulong Investment (Shanghai) Company Limited (the “**Target Company**”) is incorporated in the PRC with limited liability on 28 October 2016.

The Target Company is an investment holding company. As at 30 September 2025, it has two wholly-owned subsidiaries, namely Shanghai Ming Shen Corporate Management Company Limited and Shanghai Chenglong Shiye Company Limited; four indirectly wholly-owned subsidiaries, namely Shanghai Hui Song Shiye Company Limited, Guangxi Shen He New Material Company Limited, Shanghai Kai Shang Enterprise Development Company Limited and Fushan Shenyuan New Material Company Limited; and one indirectly non-wholly-owned group, namely Anhui Tongxin New Material Technology Company Limited (“**Anhui Tongxin**”), and Anhui Tongxin had two directly wholly-owned subsidiaries, Shanghai Dongxing Trading Company Limited and Maanshan Tongxin Commercial Trade Company Limited, which are incorporated in the PRC with limited liability under the PRC law. The Target Company and its subsidiaries are principally engaged in chemical trading operations (collectively referred to as the “**Disposal Group**”).

#### 2. BASIS OF PREPARATION OF THE UNAUDITED FINANCIAL INFORMATION

The Unaudited Financial Information of the Disposal Group for the Relevant Periods has been prepared solely for the purpose of inclusion in the circular to be issued by the Company, the immediate holding company of Target Company, in connection with the Proposed Disposal in accordance with Rule 14.68(2)(a)(i) of the Listing Rules.

The Unaudited Financial Information of the Disposal Group comprising the unaudited consolidated balance sheets of the Target Group as at 31 December 2022, 2023 and 2024 and 30 September 2024 and 2025, and the unaudited consolidated statements of profit or loss and other comprehensive income, unaudited consolidated statements of changes in equity and unaudited consolidated statements of cash flows for each of the years ended 31 December 2022, 2023 and 2024 and for the nine months ended 30 September 2024 and 2025 (the “**Relevant Periods**”), and explanatory notes (the “**Financial Information**”) has been prepared in accordance with paragraph 14.68(2)(a)(i)(A) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), and solely for the purpose of inclusion in this circular to be issued by the Company in connection with the Proposed Disposal.

---

## APPENDIX II FINANCIAL INFORMATION OF THE DISPOSAL GROUP

---

The Unaudited Financial Information of the Disposal Group for the Relevant Periods is presented in Hong Kong Dollars. All values are rounded to the nearest thousand except when otherwise indicated.

The amounts included in the Unaudited Financial Information of the Disposal Group have been recognised and measured in accordance with the relevant accounting policies of the Company adopted in the preparation of the consolidated financial statements of the Company and its subsidiaries (collectively, the “**Group**”) for the each of the Relevant Periods, which conform with Hong Kong Financial Reporting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations) issued by the HKICPA. This Unaudited Financial Information has been prepared under the historical cost convention.

The Unaudited Financial Information of the Disposal Group does not contain sufficient information to constitute a complete set of financial statements as defined in Hong Kong Accounting Standard 1 Presentation of Financial Statements or an interim financial report as defined in Hong Kong Accounting Standard 34 Interim Financial Reporting issued by the HKICPA and should be read in connection with the relevant published annual reports of the Group for the Relevant Periods.

---

## APPENDIX III      UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

---

### UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

The following is a summary of an illustrative and unaudited pro forma consolidated statement of financial position as at 30 June 2025, the unaudited pro forma consolidated statement of profit or loss and other comprehensive income and the unaudited pro forma consolidated statement of cash flows for the year ended 31 December 2024 of the Group excluding the 久龍投資(上海)有限公司 (Jiulong Investment (Shanghai) Company Limited) (the “**Target Company**”) and its subsidiaries (collectively referred to as the (the “**Disposal Group**”) upon the completion of the disposal of the Disposal Group (“**Proposed Disposal**”) (the “**Remaining Group**”) (collectively the “**Unaudited Pro Forma Financial Information**”) which have been prepared to illustrate the effect of the Proposed Disposal (i) as if the Proposed Disposal had been completed on 30 June 2025 for the unaudited pro forma consolidated statement of financial position, and (ii) as if the Proposed Disposal had been completed on 1 January 2024 for the unaudited pro forma consolidated statement of profit or loss and other comprehensive income and the unaudited pro forma consolidated statement of cash flows for the year ended 31 December 2024.

The unaudited pro forma consolidated statement of profit or loss and other comprehensive income and unaudited pro forma consolidated statement of cash flows of the Remaining Group for the year ended 31 December 2024 are prepared based on the audited consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows of the Group for the year ended 31 December 2024 as extracted from the annual report of the Group for the year ended 31 December 2024 as if the Proposed Disposal had been completed on 1 January 2024.

The unaudited pro forma consolidated statement of financial position of the Remaining Group as at 30 June 2025 is prepared based on the unaudited condensed consolidated statement of financial position of the Group as at 30 June 2025 as extracted from the interim report of the Group for the six months ended 30 June 2025 as if the Proposed Disposal had been completed on 30 June 2025.

The Unaudited Pro Forma Financial Information of the Remaining Group is prepared based on a number of assumptions, estimates, uncertainties and currently available information, and is provided for illustrative purposes only. Accordingly, as a result of the nature of the Unaudited Pro Forma Financial Information of the Remaining Group, it may not give a true picture of the actual financial position, results of operation or cash flows of the Remaining Group that would have been attained had the Proposed Disposal actually occurred on the dates indicated herein. Furthermore, the Unaudited Pro Forma Financial Information of the Remaining Group does not purport to predict the Remaining Group’s future financial position, results of operation or cash flows.

---

**APPENDIX III      UNAUDITED PRO FORMA FINANCIAL INFORMATION  
OF THE REMAINING GROUP**

---

The Unaudited Pro Forma Financial Information of the Remaining Group should be read in conjunction with the financial information of the Group as set out in Appendix I of the Circular and other financial information included elsewhere in the Circular.

**UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

*As at 30 June 2025*

	<b>The Group as at 30 June 2025</b>	<b>Pro forma adjustments</b>		<b>The Remaining Group as at 30 June 2025</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(unaudited)</i>			<i>(unaudited)</i>
	<i>(Note 1)</i>	<i>(Note 2)</i>	<i>(Note 3)</i>	
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	463,624	(44,079)		419,545
Mining rights	484,451			484,451
Prepayment	35,862			35,862
Right-of-use assets	26,981	(16,902)		10,079
	<u>1,010,918</u>			<u>949,937</u>
<b>Current assets</b>				
Inventories	273,304	(99,422)		173,882
Trade and bill receivables	64,712	(35,488)		29,224
Prepayments, deposits and other receivables	157,271	(100,581)		56,690
Cash and cash equivalents	54,811	(5,734)	300	49,377
	<u>550,098</u>			<u>309,173</u>
<b>Total assets</b>	<b>1,561,016</b>			<b>1,259,110</b>

**APPENDIX III      UNAUDITED PRO FORMA FINANCIAL INFORMATION  
OF THE REMAINING GROUP**

	The Group as at 30 June 2025 <i>HK\$'000</i> <i>(unaudited)</i> <i>(Note 1)</i>	Pro forma adjustments <i>HK\$'000</i> <i>HK\$'000</i> <i>(Note 2)</i> <i>(Note 3)</i>		The Remaining Group as at 30 June 2025 <i>HK\$'000</i> <i>(unaudited)</i>
<b>EQUITY</b>				
Share capital	250,233			250,233
Reserves	(135,020)	590,613	200	455,793
Equity attributable to owners of the Company	115,213			706,026
Non-controlling interests	(594,336)	512,875		(81,461)
<b>Total equity</b>	<b>(479,123)</b>			<b>624,565</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Bank loans and other borrowing	32,174	(21,887)		10,287
Lease liabilities	6,667			6,667
Deferred tax liabilities	121,113			121,113
	<b>159,954</b>			<b>138,067</b>
<b>Current liabilities</b>				
Trade and bill payables	309,000	(297,746)		11,254
Other payables and accruals	712,656	(668,951)		43,705
Income tax payables	—		100	100
Contract liabilities	470,122	(63,088)		407,034
Bank loans and other borrowings	388,098	(354,022)		34,076
Lease liabilities	309			309
	1,880,185			496,478
<b>Total liabilities</b>	<b>2,040,139</b>			<b>634,545</b>
<b>Total equity and liabilities</b>	<b>1,561,016</b>			<b>1,259,110</b>

**APPENDIX III      UNAUDITED PRO FORMA FINANCIAL INFORMATION  
OF THE REMAINING GROUP**

**UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME**

*For the year ended 31 December 2024*

	<b>The Group</b>	<b>Pro forma adjustments</b>		<b>The Remaining Group</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(audited)</i>			<i>(unaudited)</i>
	<i>(Note 1)</i>	<i>(Note 4)</i>	<i>(Note 5)</i>	
Revenue	1,110,226	(993,849)		116,377
Cost of sales	(982,541)	920,909		(61,632)
<b>Gross profit</b>	127,685			54,745
Other income	2,929	(173)		2,756
Research and development cost	(38,260)	37,833		(427)
Provision for impairment losses under expected credit loss, net	(19,296)	5,034		(14,262)
Other gains and losses	(416,292)	47,419	217,238	(151,635)
Administrative expenses	(118,327)	41,370		(76,957)
<b>Operating loss</b>	(461,561)			(185,780)
Finance costs	(192,762)	183,399		(9,363)
<b>Loss before income tax</b>	(654,323)			(195,143)
Taxation — credit	80,089		(100)	79,989
Loss for the year from continuing operations	(574,234)			(115,154)
Profit for the year from discontinued operations	324,999			324,999
<b>(Loss)/profit for the year</b>	<u>(249,235)</u>			<u>209,845</u>
Attributable to:				
Owners of the parent	(68,486)	122,685	217,138	271,337
Non-controlling interests	(180,749)	119,257		(61,492)
<b>(Loss)/profit for the year</b>	<u>(249,235)</u>			<u>209,845</u>

**APPENDIX III      UNAUDITED PRO FORMA FINANCIAL INFORMATION  
OF THE REMAINING GROUP**

**UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF CASH FLOWS**

*For the year ended 31 December 2024*

	<b>The Group as at 31 December 2024</b>	<b>Pro forma adjustments</b>		<b>The Remaining Group as at 31 December 2024</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(Note 1)</i>	<i>(Note 4)</i>	<i>(Note 5)</i>	
<b>Cash flows from operating activities</b>				
Loss before income tax	(654,323)	241,942	217,238	(195,143)
Amortisation of mining right	13,086			13,086
Bank interest income	(50)	9		(41)
Depreciation of property, plant and equipment	95,585	(35,272)		60,313
Depreciation of right-of-use assets	5,791	(427)		5,364
Impairment loss of property, plant and equipment	147,503			147,503
Impairment loss of right-of-use assets	1,020			1,020
Impairment loss of mining right	215,715			215,715
Provision for impairment losses of under ECL model	19,296	(5,034)		14,262
Interest expenses for lease liabilities	855			855
Interest on bank and other borrowings and corporate bonds	191,907	(183,399)		8,508
Other gains and losses	—		(217,238)	(217,238)
	<hr/>			<hr/>
<b>Operating gain before working capital changes</b>	<b>36,385</b>			<b>54,204</b>
Increase in inventories	(170,516)	(27,573)		(198,089)
Increase in trade receivables, prepayments, deposits and other receivables	(34,964)	(65,053)		(100,017)
Decrease in trade payables, other payables and accruals	(84,949)	71,661		(13,288)
Increase in contract liabilities	455,124			455,124
	<hr/>			<hr/>

**APPENDIX III      UNAUDITED PRO FORMA FINANCIAL INFORMATION  
OF THE REMAINING GROUP**

	<b>The Group as at 31 December 2024</b>	<b>Pro forma adjustments</b>	<b>The Remaining Group as at 31 December 2024</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(Note 1)</i>	<i>(Note 4)</i>	<i>(Note 6)</i>
<b>Cash generated from operations</b>	201,080		197,934
Tax paid	—		—
<b>Net cash generated from operating activities</b>	<u>201,080</u>		<u>197,934</u>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment	(127,486)	2,941	(124,545)
Interest received	50	(9)	41
Net cash outflow for disposal of subsidiaries	(254)		300
<b>Net cash used in investing activities</b>	<u>(127,690)</u>		<u>(124,458)</u>
<b>Cash flows from financing activities</b>			
Proceed from bank loans and other borrowings	38,693	(27,845)	10,848
Loans interest paid	(11,316)	5,256	(6,060)
Repayment of bank loans and other borrowings	(89,512)	15,425	(74,087)
Repayment of lease liabilities	(1,111)		(1,111)
<b>Net cash used in financing activities</b>	<u>(63,246)</u>		<u>(70,410)</u>
<b>Net increase in cash and cash equivalents</b>	<u>10,144</u>		<u>3,066</u>
Cash and bank balances at beginning of the financial year	5,941	(686)	5,255
Effect of foreign exchange rate changes, net	(838)	1,398	560
<b>Cash and bank balances of the year</b>	<u><u>15,247</u></u>		<u><u>8,881</u></u>

---

**APPENDIX III      UNAUDITED PRO FORMA FINANCIAL INFORMATION  
OF THE REMAINING GROUP**

---

**NOTES TO THE UNAUDITED PRO FORMA FINANCIAL INFORMATION**

1. The unaudited condensed consolidated statement of financial position of the Group as at 30 June 2025 is extracted without adjustment from the interim report of the Group for the six months ended 30 June 2025.

The consolidated statement of profit or loss and other comprehensive income and the consolidated statement of cash flows of the Group for the year ended 31 December 2024 are extracted without adjustment from the annual report of the Group for the year ended 31 December 2024.

2. These adjustments represent the exclusion of assets and liabilities of the Disposal Group to be disposed of as at 30 June 2025 assuming the Group upon the completion of the disposal of the 100% issued share capital of Target Company was completed on 30 June 2025.
3. These adjustments assume the total consideration payable by the Purchaser to the Remaining Group for the acquisition of the 100% equity interest in the Target Company is satisfied in cash in the amount as shown below, as if the Disposal had been completed on 30 June 2025:

	<i>HK\$'000</i>
Consideration	1,000
Less: Estimated expenses directly attributable to the Proposed Disposal	<i>Note</i> <u>(700)</u>
Estimated cash flow from the Proposed Disposal	<u><u>300</u></u>

The actual amount of the adjusted Consideration and the gain/loss on the Proposed Disposal recorded in “accumulated losses” can only be determined at the date of completion of the sale and purchase agreement and the Proposed Disposal contemplated thereunder, which may be substantially different from the estimated amounts used in the preparation of the unaudited pro forma financial information.

*Note:* The estimated expenses directly attributable to the Proposed Disposal represents costs and expenses directly incurred for the Proposed Disposal of HK\$700,000 which will be borne by the Group and are assumed to be settled in cash.

---

**APPENDIX III      UNAUDITED PRO FORMA FINANCIAL INFORMATION  
OF THE REMAINING GROUP**

---

The estimated tax effect of the Disposal amounted to HK\$100,000 represents the PRC enterprise income tax calculated based on a tax rate of 10% on taxable disposal gain arising from the transfer of equity interests in the Target Company to the Purchaser.

4. These adjustments represent the exclusion of the results and cash flows of the Disposal Group to be disposed of for the year ended 31 December 2024 assuming the Proposed Disposal was completed on 1 January 2024. The amounts have been extracted from the unaudited financial information of the Disposal Group for the year ended 31 December 2024 as set forth in Appendix II of this circular.
  
5. These adjustments represent the estimated gain on the Proposed Disposal to profit or loss assuming the Proposed Disposal had taken place on 1 January 2024:

	<i>Notes</i>	<i>HK\$'000</i>
Consideration		1,000
Add: Net liabilities of the Disposal Group as at 31 December 2023	<i>(i)</i>	833,414
Less: Waiver of inter company debts owned by the Remaining Group as of 1 January 2024		(258,497)
Less: Non-controlling interests derecognised	<i>(i)</i>	(379,615)
Add: Release of exchange reserve attributable to the Proposed Disposal as at 1 January 2024	<i>(ii)</i>	21,636
Less: Estimated expenses directly attributable to the Remaining Group		<u>(700)</u>
Estimated Gain on the Proposed Disposal before taxation		217,238
Estimated income tax on the Proposed Disposal calculated at the applicable tax rate	<i>(ii)</i>	<u>(100)</u>
Estimated gain on the Proposed Disposal after taxation		<u><u>217,138</u></u>

*Notes*

- (i) The amounts have been extracted from the unaudited financial information of the Disposal Group as at 31 December 2023 as set forth in Appendix II of this circular.

---

**APPENDIX III      UNAUDITED PRO FORMA FINANCIAL INFORMATION  
OF THE REMAINING GROUP**

---

- (ii) The amount represents exchange reserve attributable to the Company to be released to profit or loss as if the Proposed Disposal had taken place on 1 January 2024.
- (iii) The estimated tax effect of the Disposal amounted to HK\$100,000 represents the PRC enterprise income tax calculated based on a tax rate of 10% on taxable disposal gain arising from the transfer of equity interests in the Target Company to the Purchaser.
6. These adjustments represent the estimated cash flow from the Proposed Disposal of the Disposal Group assuming the Proposed Disposal had taken place on 31 December 2024:

	<i>Notes</i>	<i>HK\$'000</i>
Consideration		1,000
Less: Estimated expenses directly attributable to the Remaining Group	<i>(i)</i>	<u>(700)</u>
Estimated cash inflow arising on the Proposed Disposal		<u><u>300</u></u>

*Note*

- (i) The estimated expenses directly attributable to the Proposed Disposal represents costs and expenses directly incurred for the Proposed Disposal of HK\$700,000 which will be borne by the Group and are assumed to be settled in cash.

---

## APPENDIX III      UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

---

*The following is the text of a report received from the reporting accountants of the Company, Suya WWC CPA Limited, Certified Public Accountants, Hong Kong, prepared for the purpose of incorporation in this circular, in respect of the unaudited pro forma financial information of the Disposal Group.*

### INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

To the Board of Directors of North Mining Shares Company Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of North Mining Shares Company Limited (the “**Company**”) and its subsidiaries (collectively the “**Group**”) by the directors for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of financial position as at 30 June 2025, the unaudited pro forma statement of profit or loss and other comprehensive income for the year ended 31 December 2024, the unaudited pro forma statement of cash flow for the year ended 31 December 2024, and related notes as set out in Appendix III of the circular dated 13 February 2026 (the “**Circular**”) issued by the Company (the “**Unaudited Pro Forma Financial Information**”) in connection with the proposed disposal of the entire issued share capital of Jiulong Investment (Shanghai) Company Limited (hereinafter referred to as the “**Target Company**”) (the “**Transaction**”).

The Unaudited Pro Forma Financial Information has been compiled by the directors to illustrate the impact of the Transaction on the Group’s financial position as at 30 June 2025 as if the Transaction had taken place at 30 June 2025, and the Group’s financial performance and cash flows for the year ended 31 December 2024 as if the Transaction had taken place at 1 January 2024. As part of this process, information about the Group’s financial position has been extracted by the directors from the Group’s interim financial statement for the six months ended 30 June 2025, on which interim report has been published. The Group’s financial performance and cash flows has been extracted by the directors from the Group’s financial statements for the year ended 31 December 2024, on which annual report has been published.

---

## APPENDIX III      UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

---

### **Directors' Responsibility for the Pro Forma Financial Information**

The directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline (“**AG**”) 7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”).

### **Our Independence and Quality Management**

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Hong Kong Standard on Quality Management 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Reporting Accountant's Responsibilities**

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the HKICPA. This standard requires that the reporting accountant plan and perform procedures to obtain reasonable assurance about whether the directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

---

## APPENDIX III      UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

---

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of Unaudited Pro Forma Financial Information included in the Circular is solely to illustrate the impact of the Transaction on unadjusted financial information of the Group as if the Transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Transaction would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the Transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the Group, the event or transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

---

**APPENDIX III      UNAUDITED PRO FORMA FINANCIAL INFORMATION  
OF THE REMAINING GROUP**

---

**Opinion**

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

**Suya WWC CPA Limited**  
*Certified Public Accountants*

**Chung King Ho**  
Practising Certificate Number: P06894

Hong Kong, 13 February 2026

Following the completion of the Proposed Disposal, the Remaining Group will continue to carry out the existing Mining Business.

Set out below is the management discussion and analysis on the continuing operations of the Remaining Group for the three years ended 31 December 2022, 2023 and 2024, and the six months ended 30 June 2025 prepared on the basis that the Target Company has not been not consolidated, and as if the Company has no ownership in the Target Company. The financial data in respect of the Remaining Group, for the purpose of this circular, is derived from the consolidated financial statements of the Company for each of the three years ended 31 December 2022, 2023 and 2024, and for the six months ended 30 June 2025, respectively.

## **BUSINESS REVIEW**

### **The Mining Business**

The principal profit generation activities of the Remaining Group is the Mining Business. The Mining Business mainly includes the exploitation, exploration and production of molybdenum concentrate in the PRC. Molybdenum concentrate was produced by the molybdenum mine operated by Jiulong Kuangye, a subsidiary of the Group. The grading of molybdenum concentrate produced by our molybdenum mine was approximately 45%–50%. Molybdenum metal has a wide range of applications including the manufacture of aircraft parts, electrical contacts, industrial motors, filaments and as an alloying agent in steel manufacturing.

During the year ended 31 December 2022, no molybdenum concentrate was produced due to the expiration of the exploitation licenses of the Mining Right. However, Jiulong Kuangye remains able to sell the molybdenum concentrate from its existing inventory.

During the year ended 31 December 2023, the mining licence has been successfully renewed and the renewed licence, which is valid up to 22 February 2034, has been granted by the Ministry of Natural Resources of the PRC and issued to the Company on 10 February 2023. The mining licence is the major licence required for Jiulong Kuangye to conduct its mining activities of its molybdenum mine. The management of the Remaining Group worked closely with the government authorities to complete the grant of other ancillary licences for the mine (i.e., Safety Production Licence). The management of the Remaining Group cooperated closely with the Shaanxi Provincial Emergency Management Department of PRC, followed the policies and guidance of relevant government departments, and completed the construction requirements of the government departments.

During the year ended 31 December 2023, no molybdenum concentrate was produced because Jiulong Kuangye had not yet been granted the Safety Production Licence, and would resume mining and production activities after such licence was renewed.

During the year ended 31 December 2024, the Safety Production Licence has been successfully renewed and the renewed Safety Production Licence, which is valid up to 17 October 2027, has been granted by the Shaanxi Provincial Emergency Management Department of PRC and issued to Jiulong Kuangye on 18 October 2024. The Safety Production Licence is one of the necessary licences required for Jiulong Kuangye to conduct its mining activities of its molybdenum mine. After obtaining the Safety Production Licence, mining operation of the Remaining Group is able to fully resume.

During the period ended 30 June 2025, despite ongoing industry and macroeconomic challenges, mining operation has seen significant improvements in output and profitability. While the Jiulong Kuangye still faced financial pressures, the increase in operational stability and efficiency lays the foundation for its cautious growth, contingent on successful fundraising and continued strong demand for commodities.

## **FOR THE YEAR ENDED 31 DECEMBER 2022**

### **Financial review**

For the year ended 31 December 2022, total revenue of the Remaining Group amounted to approximately HK\$221 million which was contributed by the Mining Business, representing an increase of approximately 23.28% as compared to that recorded for the year ended 31 December 2021. The aforesaid year-on-year increase in revenue was primarily attributable to the increase of selling price of molybdenum concentrate per tonne. The average selling price of molybdenum concentrate was approximately HK\$108,077 per tonne.

There was no molybdenum concentrate produced due to the expiration of the exploitation licenses of the Mining Right, whereas the grade of molybdenum concentrate produced was approximately 45%–50%. Jiulong Kuangye remains able to sell the molybdenum concentrate products from its existing inventory.

**Gross profit**

The Remaining Group recorded a gross profit of approximately HK\$98 million for the year ended 31 December 2022, as compared to a gross profit of approximately HK\$58 million for the year ended 31 December 2021. The change in gross margin mainly arose from the increase of selling price of molybdenum concentrate per tonne.

**Selling and administration expenses**

The Remaining Group recorded selling and administrative expenses of approximately HK\$118 million for the year ended 31 December 2022 which had no significant change as compared to that of approximately HK\$117 million for the year ended 31 December 2021.

**Loss and total comprehensive expenses for the year attributable to equity holders of the Company**

The loss attributable to the equity holders of the Company for the year ended 31 December 2022 decreased to approximately HK\$69 million from that of approximately HK\$309 million recorded for the year ended 31 December 2021, and the total comprehensive expenses for the year ended 31 December 2022 attributable to equity holders of the Company was approximately HK\$140 million which was mainly attributed to administrative expenses and finance costs.

**Outlook**

The operation of the Remaining Group had been hindered due to the financial difficulty and the expiry of the mining licence of the molybdenum mine. However, the Remaining Group had been spending strenuous effort in renewing the relevant mining licence, and the relevant governmental department had also confirmed in April 2022 that all outstanding fees as well as information required for the renewal of the mining licence had already been paid/provided by the Remaining Group.

**Capital structure, liquidity and financial resources**

The capital of the Remaining Group comprised of ordinary shares. The Company had always pursued a prudent treasury management policy and actively manages its liquidity position to cope with daily operation and any demands for capital in future development. During the year ended 31 December 2022, the Remaining Group financed its operations and capital expenditures primarily by the internal resources of the Company, borrowings from the controlling shareholder of the Company and other loans. As at 31 December 2022, the Remaining Group had cash and cash

equivalents of approximately HK\$7 million, which were mainly denominated in RMB. As at 31 December 2022, the Remaining Group had total borrowings and corporate bond of approximately HK\$856 million and HK\$404 million which are denominated in RMB or HK\$ respectively. The total borrowings comprised (i) unsecured borrowings of approximately HK\$438 million for current portion, and secured borrowings of approximately HK\$401 million for current portion and HK\$17 million for non-current portion, and corporate bond of approximately HK\$404 million for current portion. As at 31 December 2022, the effective interest rates of the borrowings were approximately 4.32% to 9.60% per annum. The Remaining Group had a gearing ratio, represented by total borrowings and corporate bond divided by total equity, of approximately negative 2.12 as at 31 December 2022. Approximately HK\$1,243 million of the total borrowings and corporate bond would be due in the coming twelve months from the end of the reporting period. During the year, the Remaining Group did not use any derivatives to manage interest rate risk. The management of the Company would continue to monitor the Remaining Group's interest rate exposure and would consider taking appropriate actions, including but not limited to hedging should the need arise. As at 31 December 2022, the Remaining Group had no capital commitment while its net current liabilities amounted to approximately HK\$2,054 million. The current ratio of the Remaining Group, represented by total current assets divided by total current liabilities, was approximately 0.04.

#### **Human resources and remuneration policy**

As at 31 December 2022, the Remaining Group had a total workforce of 441 employees. The total staff cost of the Remaining Group, including the directors' emoluments and mandatory provident fund contributions, amounted to approximately HK\$30 million for the year ended 31 December 2022. Employees were remunerated based on their performance and experience. Remuneration package was determined by reference to market conditions and individual performance. The Remaining Group also provides external and/or internal training programs for its employees.

#### **Foreign exchange risk**

The Remaining Group principally operated its business in the PRC. The Remaining Group had subsidiaries operating in the PRC in which most of their transactions were denominated in Hong Kong dollars and Renminbi respectively. The Remaining Group was exposed to foreign exchange fluctuations from RMB which was the main foreign currency transacted by the Remaining Group during the year ended 31 December 2022. The Remaining Group did not enter into any foreign exchange contract as hedging measures during the year ended 31 December 2022.

The Remaining Group managed its foreign currency risk against RMB by closely monitoring their movements and may use hedging derivatives, such as foreign currency forward contracts, to manage its foreign currency risk as appropriate.

**Charges on assets**

As at 31 December 2022, the Remaining Group had pledged its property, plant and equipment of approximately HK\$155 million for facilities.

**Contingent liabilities**

As at 31 December 2022, the Remaining Group had no material contingent liabilities.

**Significant investment**

As at 31 December 2022, the Remaining Group did not have any significant investments.

**Material acquisition and disposal and future plans for material investments**

For the year ended 31 December 2022, there were no material acquisition and disposal of subsidiaries or associated companies by the Remaining Group. As at 31 December 2022, the Remaining Group did not have any concrete plans for any material investments.

**FOR THE YEAR ENDED 31 DECEMBER 2023****Financial review**

For the year ended 31 December 2023, no revenue was recorded by the Remaining Group, as Jiulong Kuangye had not yet been granted the renewed Safety Production Licence for carrying on its operation.

**Selling and administrative expenses**

The Remaining Group recorded selling and administrative expenses of approximately HK\$100 million for the year ended 31 December 2023 which decreased as compared to that of approximately HK\$118 million for the year ended 31 December 2022. Such decrease was mainly resulted from the decrease in salaries and related administrative expense of mining operation.

**Loss and total comprehensive expenses for the year attributable to equity holders of the Company**

The loss attributable to the equity holders of the Company for the year ended 31 December 2023 increased to approximately HK\$1,762 million from that of approximately HK\$69 million recorded for the year ended 31 December 2022, and the total comprehensive expenses for the year ended 31 December 2023 attributable to equity holders of the Company was approximately HK\$1,780 million which was mainly attributed to the loss on debt restructuring.

**Outlook**

Jiulong Kuangye had successfully renewed the mining licence of molybdenum mine and will further invest in and upgrade the mining operation machine system in production to improve the production efficiency, safety and environmental level.

The mining licence had been successfully renewed and the renewed licence, which is valid up to 22 February 2034, had been granted by the Ministry of Natural Resources of the PRC and issued to the Company on 10 February 2023. The mining licence is the major licence required for Jiulong Kuangye to conduct its mining activities of its molybdenum mine. The management of the Remaining Group and Jiulong Kuangye worked closely with the government authorities to complete the grant of other ancillary licences for the mine (i.e., Safety Production Licence), including working closely with the Shaanxi Provincial Emergency Management Department of PRC, followed the policies and guidance of relevant government departments, and completed the construction requirements of the government departments.

**Capital structure, liquidity and financial resources**

The capital of the Remaining Group comprised of ordinary shares. The Company had always pursued a prudent treasury management policy and actively managed its liquidity position to cope with daily operation and any demands for capital in future development. During the year ended 31 December 2023, the Remaining Group financed its operations and capital expenditures primarily by the internal resources of the Company, borrowings from the controlling shareholder of the Company and other loans. As at 31 December 2023, the Remaining Group had cash and cash equivalents of approximately HK\$5 million, which were mainly denominated in RMB. As at 31 December 2023, the Remaining Group had total borrowings of approximately HK\$324 million which are denominated in RMB or HK\$. The total borrowings comprised (i) unsecured borrowings of approximately HK\$16 million for current portion and HK\$11 million for non-current portion, and secured borrowings of approximately HK\$280 million for current portion and HK\$17 million for non-current portion. As at 31 December 2023, the effective interest rates of the borrowings

were approximately 6.09% to 9.00% per annum. The Remaining Group had a gearing ratio, represented by total borrowings divided by total equity, of approximately 0.65 as at 31 December 2023. Approximately HK\$296 million of the total borrowings would be due in the coming twelve months from the end of the reporting period. During the year, the Remaining Group did not use any derivatives to manage interest rate risk. The management of the Company would continue to monitor the Remaining Group's interest rate exposure and would consider taking appropriate actions, including but not limited to hedging should the need arise. As at 31 December 2023, the Remaining Group had no capital commitment while its net current liabilities amounted to approximately HK\$830 million. The current ratio of the Remaining Group, represented by total current assets divided by total current liabilities, was approximately 0.05.

#### **Human resources and remuneration policy**

As at 31 December 2023, the Remaining Group had a total workforce of 394 employees. The total staff cost of the Remaining Group, including the directors' emoluments and mandatory provident fund contributions, amounted to approximately HK\$12 million for the year ended 31 December 2023. Employees were remunerated based on their performance and experience. Remuneration package was determined by reference to market conditions and individual performance. The Remaining Group also provides external and/or internal training programs for its employees.

#### **Foreign exchange risk**

The Remaining Group principally operated its business in the PRC. The Remaining Group had subsidiaries operating in the PRC in which most of their transactions were denominated in Hong Kong dollars and Renminbi respectively. The Remaining Group was exposed to foreign exchange fluctuations from RMB which was the main foreign currency transacted by the Remaining Group during the year ended 31 December 2023. The Remaining Group did not enter into any foreign exchange contract as hedging measures during the year ended 31 December 2023. The Remaining Group managed its foreign currency risk against RMB by closely monitoring their movements and may use hedging derivatives, such as foreign currency forward contracts, to manage its foreign currency risk as appropriate.

#### **Charges on assets**

As at 31 December 2023, the Remaining Group did not have any assets pledged for facilities.

**Contingent liabilities**

As at 31 December 2023, the Remaining Group had no material contingent liabilities.

**Significant investment**

As at 31 December 2023, the Remaining Group did not have any significant investments.

**Material acquisition and disposal and future plans for material investments**

For the year ended 31 December 2023, there were no material acquisition and disposal of subsidiaries or associated companies by the Remaining Group. As at 31 December 2023, the Remaining Group did not have any concrete plans for any material investments.

**FOR THE YEAR ENDED 31 DECEMBER 2024****Financial review**

For the year ended 31 December 2024, total revenue of the Remaining Group amounted to approximately HK\$116 million, which was attributable to the resumption of mining operation since October 2024, whereas the grade of molybdenum concentrate produced was approximately 45%–50%. The average selling price of molybdenum concentrate was approximately HK\$135,710 per tonne.

**Gross profit**

The Remaining Group recorded a gross profit of approximately HK\$55 million for the year ended 31 December 2024 (2023: nil).

**Selling and administrative expenses**

The Remaining Group recorded selling and administrative expenses of approximately HK\$77 million for the year ended 31 December 2024 which decreased as compared to that of approximately HK\$100 million for the year ended 31 December 2023. Such decrease was mainly resulted from the decrease in legal and professional cost of the Company.

**Profit and total comprehensive income for the year attributable to equity holders of the Company**

The profit attributable to the equity holders of the Company for the year ended 31 December 2024 was approximately HK\$54 million, representing a turnaround from the loss of approximately HK\$1,762 million for the year ended 31 December 2023, and the total comprehensive income for the year ended 31 December 2024 attributable to equity holders of the Company was approximately HK\$188 million which was mainly attributed to the gains arising from the disposal of subsidiaries.

**Outlook**

After almost three years of suspension pending the renewal of the Mining Licence and Safety Production Licence, the mining operation fully resumed in October 2024. This milestone reflects the dedication and hard work of our team, as well as our commitment to meeting both regulatory standards and community expectations. Since resuming production, the management of the Remaining Group has implemented enhanced safety protocols, upgraded equipment, and optimized processes to ensure operational efficiency and environmental compliance. Early production indicators are promising, and we are optimistic about the output returning to or exceeding pre-suspension levels in the coming quarters.

**Capital structure, liquidity and financial resources**

The capital of the Remaining Group comprised of ordinary shares. The Company had always pursued a prudent treasury management policy and actively manages its liquidity position to cope with daily operation and any demands for capital in future development. During the year ended 31 December 2024, the Remaining Group financed its operations and capital expenditures primarily by the internal resources of the Company, borrowing from the controlling shareholder of the Company and other loans. As at 31 December 2024, the Remaining Group had cash and cash equivalents of approximately HK\$9 million, which were mainly denominated in RMB. As at 31 December 2024, the Remaining Group had total borrowings of approximately HK\$54 million which are denominated in RMB or HK\$. The total borrowings comprised (i) unsecured borrowings of approximately HK\$15 million for current portion and HK\$10 million for non-current portion, and secured borrowings of approximately HK\$22 million for current portion and HK\$7 million for non-current portion. As at 31 December 2024, the effective interest rates of the borrowings were approximately 6.09% to 9.00% per annum. The Remaining Group had a gearing ratio, represented by total borrowings divided by total equity, of approximately 0.11 as at 31 December 2024. Approximately HK\$37 million of the total borrowings would be due in the coming twelve months from the end of the reporting period. During the year, the Remaining Group did not use any

derivatives to manage interest rate risk. The management of the Company would continue to monitor the Remaining Group's interest rate exposure and would consider taking appropriate actions, including but not limited to hedging should the need arise. As at 31 December 2024, the Remaining Group had no capital commitment while its net current liabilities amounted to approximately HK\$618 million. The current ratio of the Remaining Group, represented by total current assets divided by total current liabilities, was approximately 0.32.

#### **Human resources and remuneration policy**

As at 31 December 2024, the Remaining Group had a total workforce of 411 employees. The total staff cost of the Remaining Group, including the directors' emoluments and mandatory provident fund contributions, amounted to approximately HK\$38 million for the year ended 31 December 2024. Employees were remunerated based on their performance and experience. Remuneration package was determined by reference to market conditions and individual performance. The Remaining Group also provides external and/or internal training programs for its employees.

#### **Foreign exchange risk**

The Remaining Group principally operated its business in the PRC. The Remaining Group had subsidiaries operating in the PRC in which most of their transactions were denominated in Hong Kong dollars and Renminbi respectively. The Remaining Group was exposed to foreign exchange fluctuations from RMB which was the main foreign currency transacted by the Remaining Group during the year ended 31 December 2024. The Remaining Group did not enter into any foreign exchange contract as hedging measures during the year ended 31 December 2024. The Remaining Group managed its foreign currency risk against RMB by closely monitoring their movements and may use hedging derivatives, such as foreign currency forward contracts, to manage its foreign currency risk as appropriate.

#### **Charges on assets**

As at 31 December 2024, the Remaining Group had pledged its property, plant and equipment of approximately HK\$13 million for facilities.

#### **Contingent liabilities**

As at 31 December 2024, the Remaining Group had no material contingent liabilities.

**Significant investment**

As at 31 December 2024, the Remaining Group did not have any significant investments.

**Material acquisition and disposal and future plans for material investments**

On 10 December 2015, the Remaining Group borrowed from an independent creditor a loan of RMB200,000,000 with annual interest rate at 10% and repayable in two years. The loan was secured by (i) the entire shares of the Remaining Group's non-wholly owned subsidiary, namely Shaanxi Luoyuan Trading Co., Limited ("**Shaanxi Luoyuan**"), which own 60% equity interests in Luo Nan Xian Da Qin Jia Mining Company Limited ("**Da Qin Jia Mining**") ("**Deemed Disposal Group**"); and (ii) the corporate guarantee provided by a subsidiary of the Remaining Group. The major asset of the Deemed Disposal Group is an exploration rights of a Potassium Feldspar Mine located in Shaanxi, the PRC, which had been expired in prior years. The Remaining Group had already made full provision of the exploration rights when expired.

Due to the liquidity position of the Remaining Group, the Remaining Group was unable to settle the loan. The creditor then applied to The Fourth Intermediate People's Court of Beijing (the "**Court**") to go through an auction process to sale the entire of equity interests of the Deemed Disposal Group to recover the debts owed by the Remaining Group ("**Auction**").

The Court granted the permission for the auction request and during the year ended 31 December 2024, an independent third party (the "**Bidder**") completed the auction process and obtained the entire equity interests of the Deemed Disposal Group, which was confirmed by the Court. The directors of the Company obtained a legal advice and, in the opinion that, upon the completion of the Auction which was approved by the Court, the Remaining Group did not have control over the Deemed Disposal Group and the corporate guarantee provided by the non-wholly owned subsidiary was released.

The Remaining Group recorded a gain of approximately HK\$325 million upon completion of the Auction (i.e. deemed disposal of the Deemed Disposal Group) for the year ended 31 December 2024.

Save for the above, for the year ended 31 December 2024, there were no material acquisition and disposal of subsidiaries or associated companies by the Remaining Group. As at 31 December 2024, the Remaining Group did not have any concrete plans for any material investments.

**FOR THE SIX MONTHS ENDED 30 JUNE 2025****Financial review**

For the six months ended 30 June 2025, total revenue of the Remaining Group amounted to approximately HK\$515 million, which was attributable to the full resumption of its mining operation. The grade of molybdenum concentrate produced was approximately 45%–50%. The average selling price of molybdenum concentrate was approximately HK\$128,830 per tonnes.

**Gross profit**

The Remaining Group recorded a gross profit of approximately HK\$292 million for the six months ended 30 June 2025, (2023: nil).

**Selling and administrative expenses**

The Remaining Group recorded selling and administrative expenses of approximately HK\$66 million for the six months ended 30 June 2025 which increased as compared to that of approximately HK\$34 million for the six months ended 30 June 2024. Such increase was mainly resulted from the increase in the overall expenses, including but not limited to salaries and related administrative expense of mining operation.

**Profit and total comprehensive income for the period attributable to equity holders of the Company**

The profit attributable to the equity holders of the Company for the six months ended 30 June 2025 was approximately HK\$85 million, representing a turnaround from the loss attributable to the equity holders of the Company for the six months ended 30 June 2024 of approximately HK\$29 million, and the total comprehensive income for the six months ended 30 June 2025 attributable to equity holders of the Company was approximately HK\$104 million which was mainly attributed to the profit from the full resumption of mining operation.

**Outlook**

The Remaining Group had successfully renewed the mining licence of molybdenum mine and will further invest in and upgrade the mining operation machine system in production to improve production efficiency, safety and environmental level.

**Capital structure, liquidity and financial resources**

The capital of the Remaining Group comprised of ordinary shares. The Company had always pursued a prudent treasury management policy and actively managed its liquidity position to cope with daily operation and any demands for capital in future development. During the six months ended 30 June 2025, the Remaining Group financed its operations and capital expenditures primarily by the internal resources of the Company, borrowing from the controlling shareholder of the Company and other loans. As at 30 June 2025, the Remaining Group had cash and cash equivalents of approximately HK\$49 million, which were mainly denominated in RMB. As at 30 June 2025, the Remaining Group had total borrowings of approximately HK\$44 million which are denominated in RMB or HK\$. The total borrowings comprised (i) unsecured borrowings of approximately HK\$10 million for current portion and HK\$10 million for non-current portion, and secured borrowings of approximately HK\$24 million for current portion. As at 30 June 2025, the effective interest rates of the borrowings were approximately 6.09% to 9.00% per annum. The Remaining Group had a gearing ratio, represented by total borrowings divided by total equity, of approximately 0.07 as at 30 June 2025. Approximately HK\$34 million of the total borrowings would be due in the coming twelve months from the end of the reporting period. During the period, the Remaining Group did not use any derivatives to manage interest rate risk. The management of the Company would continue to monitor the Remaining Group's interest rate exposure and would consider taking appropriate actions, including but not limited to hedging should the need arise. As at 30 June 2025, the Remaining Group had no capital commitment while its net current liabilities amounted to approximately HK\$444 million. The current ratio of the Remaining Group, represented by total current assets divided by total current liabilities, was approximately 0.41.

**Human resources and remuneration policy**

As at 30 June 2025, the Remaining Group had a total workforce of 375 employees. The total staff cost of the Remaining Group, including the directors' emoluments and mandatory provident fund contributions, amounted to approximately HK\$31 million for the six months ended 30 June 2025. Employees are remunerated based on their performance and experience. Remuneration package is determined by reference to market conditions and individual performance. The Remaining Group also provides external and/or internal training programs for its employees.

**Foreign exchange risk**

The Remaining Group principally operated its business in the PRC. The Remaining Group had subsidiaries operating in the PRC in which most of their transactions were denominated in Hong Kong dollars and Renminbi respectively. The Remaining Group was exposed to foreign

exchange fluctuations from RMB which was the main foreign currency transacted by the Remaining Group during the six months ended 30 June 2025. The Remaining Group did not enter into any foreign exchange contract as hedging measures during the six months ended 30 June 2025. The Remaining Group managed its foreign currency risk against RMB by closely monitoring their movements and may use hedging derivatives, such as foreign currency forward contracts, to manage its foreign currency risk as appropriate.

**Charges on assets**

As at 30 June 2025, the Remaining Group had pledged its property, plant and equipment of approximately HK\$12 million for facilities.

**Contingent liabilities**

As at 30 June 2025, the Remaining Group had no material contingent liabilities.

**Significant investment**

As at 30 June 2025, the Remaining Group did not have any significant investments.

**Material acquisition and disposal and future plans for material investments**

For the six months ended 30 June 2025, there were no material acquisition and disposal of subsidiaries or associated companies by the Remaining Group. As at 30 June 2025, the Remaining Group did not have any concrete plans for any material investments.

**1. RESPONSIBILITY STATEMENT**

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

**2. DISCLOSURE OF INTERESTS OF DIRECTORS AND CHIEF EXECUTIVES**

As at the Latest Practicable Date, none of the Directors or chief executive of the Company had or was deemed to have any interests or short positions in any Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would be required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they would be taken or deemed to have under such provisions of the SFO); (b) to be recorded in the register required to be kept by the Company pursuant to section 352 of the SFO; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code.

As at the Latest Practicable Date, so far as known to the Directors, no other Director is a director or employee of a company which has an interest or short position in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO.

## 3. DISCLOSURE OF INTERESTS OF THE SHAREHOLDERS PURSUANT TO THE SFO

As at the Latest Practicable Date, so far as was known to the Directors or chief executive of the Company, the following persons (other than a Director or chief executive of the Company) had, or were deemed or taken to have, interests or short positions in the Shares and underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, were directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group or had any option in respect of such capital:

Name of shareholders	Capacity	Number of Shares held	Approximate percentage interest in the issued voting shares of the Company
Sfund International Asset Management Limited <i>(note 1)</i>	Beneficial owner	2,575,478,816	17.17%
Qian Baohua <sup><i>(note 2)</i></sup>	Held by controlled corporation	2,438,619,133	16.26%
Huatune Holding Group Co., Limited <sup><i>(note 2)</i></sup>	Beneficial owner	2,182,208,877	14.55%
Huatune Corporate <sup><i>(note 2)</i></sup>	Beneficial owner	256,410,256	1.71%
Gao Shan <sup><i>(note 3)</i></sup>	Beneficial owner	999,055,393	6.66%
Ms. So Kit Yee Anita <sup><i>(note 4)</i></sup>	Scheme Administrator	2,380,886,925	15.87%
Mr. Leung Fredric Hin Hang <sup><i>(note 4)</i></sup>	Scheme Administrator	2,380,886,925	15.87%
Luck Capital Limited <sup><i>(note 4)</i></sup>	Scheme Company	2,380,886,925	15.87%

*Notes:*

1. Sfund International Asset Management Limited is wholly-owned by Sheer Capital Investment Limited, which is wholly-owned by Sfund International Investment Fund Management Limited (廣州基金國際股權投資基金管理有限公司), Sfund International Investment Fund Management Limited is wholly-owned by Guangzhou Huiyintianyue Equity Investment Fund Management Co., Ltd. (廣州滙垠天粵股權投資基金管理有限公司), Guangzhou Huiyintianyue Equity Investment Fund Management Co., Ltd. is wholly-owned by Guangzhou Industrial Investment Fund Management Co., Ltd. (廣州產業投資基金管理有限公司), Guangzhou Industrial Investment Fund Management Co., Ltd. is wholly owned by Guangzhou City Construction Investment Group Company Limited (廣州市城市建設投資集團有限公司).
2. Huatune Holding Group Co., Limited is wholly-owned by Mr. Qian Baohua. Huatune Corporate is 95% owned by Mr. Qian Baohua.
3. Gao Shan personally held 999,055,393 Shares.
4. According to the scheme of arrangement between the Company and its scheme creditors, the Company transferred 11,086,710,827 Shares to the scheme company (i.e. Luck Capital Limited) on 29 September 2023. Ms. So Kit Yee Anita and Mr. Leung Fredric Hin Hang are the joint and several administrators of the scheme. Luck Capital Limited has disposed 8,705,823,902 Shares for the six months ended 30 June 2024 pursuant to the terms of the Scheme.

Save as disclosed above, as at the Latest Practicable Date, so far as was known to the Directors or chief executive of the Company based on the register maintained by the Company pursuant to Part XV of the SFO, no other persons (not being a Director or chief executive of the Company) had, or were deemed or taken to have, any interests or short positions in the Shares or underlying Shares which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, nor were there any persons, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group or held any option in respect of such capital.

#### **4. DIRECTORS' INTERESTS**

- (a) As at the Latest Practicable Date, none of the Directors had any interest, either directly or indirectly, in any assets which have, since 31 December 2024 (being the date to which the latest published audited consolidated financial statements of the Group were made up), been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by, or leased to, any member of the Group.
- (b) As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement subsisting and which is significant in relation to the business of the Group.

- (c) As at the Latest Practicable Date, so far as the Directors are aware of, none of the Directors and their respective associates had any interests in business which competes, or are likely to compete, either directly or indirectly, with the businesses of the Group.

## 5. MATERIAL LITIGATION

Reference is made to the announcement of the Company dated 3 January 2025. The Company, 上海乘礪實業有限公司 (Shanghai Cheng Long Shiyie Company Limited\*), the Target Company and 上海銘勝企業管理有限公司 (Shanghai Ming Shen Corporate Management Company Limited\*), being wholly owned subsidiaries of the Company in the PRC, and Anhui Tongxin, have received a civil complaint filed with the Shanghai Financial Court by 上海鼎庫資產管理有限公司 (Shanghai Dingku Asset Management Company Limited\*) (the “**Plaintiff**”) and a notice to produce evidence issued by the Shanghai Financial Court, and Shanghai Financial Court held an interview on 15 January 2025, and formally applied for this case under the proceedings (2024) 滬74民初727號, with the hearing held before the Shanghai Financial Court on 2 April 2025. The subject matter relates to the failure to settle an indebted of the principal of RMB300 million together with outstanding interest of approximately RMB337 million being the alleged outstanding amount owed by Anhui Tongxin to the Plaintiff under a loan agreement entered into between Anhui Tongxin and the Plaintiff on 4 January 2018.

On 11 March 2025, the Plaintiff submitted an application to the Shanghai Financial Court to withdraw the litigation claims against the Company, 上海乘礪實業有限公司 (Shanghai Cheng Long Shiyie Company Limited\*), the Target Company and 上海銘勝企業管理有限公司 (Shanghai Ming Shen Corporate Management Company Limited\*). Accordingly, Anhui Tongxin became the remaining defendant. The hearing was held on 2 April 2025.

On 9 June 2025, Anhui Tongxin had received a civil judgment issued by the Shanghai Financial Court (the “**Judgement**”), details as follows:

- 1) Settle the indebted of the principal of RMB294 million together with outstanding interest of approximately RMB162,455,228 owed by Anhui Tongxin to the Plaintiff as of 31 October 2022;
- 2) Based on the principal of RMB294 million, the overdue interest calculated at an annual interest rate of 22.5% from 1 November 2022 to 30 November 2022;
- 3) Starting from 1 December 2022, until the actual repayment date, overdue interest shall be calculated based on the principal amount of RMB294 million at four times the one-year Loan Prime Rate (LPR) published by the National Interbank Funding Center of PRC for the corresponding period.

Subsequently, the Group filed an appeal against the Judgement. In November 2025, Shanghai Financial Court replied to Anhui Tongxin, stated that the Judgement was upheld. As at the Latest Practicable Date, the settlement amounts under the Judgment remained unpaid. The Group is currently seeking legal advice and is considering to dispute the Judgement. Nevertheless, upon Completion, the Judgment will no longer have any impact on the Remaining Group, as the Company will cease to hold any interest in Anhui Tongxin.

Furthermore, (i) no member of the Remaining Group has provided, or is deemed to have provided, any guarantee, undertaking, comfort letter, security, pledge or any other forms of encumbrances as credit support in favour of Anhui Tongxin for the indebtedness under the Judgment; (ii) the Judgment does not give rise to any restriction, condition, consent requirement or other impact that would affect the Proposed Disposal; and (iii) based on the advice from the Company's PRC legal adviser, upon Completion, neither the Plaintiff or any other creditors would have any legal basis to seek recourse against the Company or any member of the Remaining Group in relation to the Judgment and/or the underlying indebtedness.

As at the Latest Practicable Date, save for the above, so far as was known to the Directors, none of the members of the Group was engaged in any litigation, arbitration or administration proceedings of material importance and there was no litigation, arbitration or administration proceedings or claim of material importance known to the Directors to be pending or threatened against any member of the Group.

## **6. MATERIAL CONTRACTS**

The following contracts (not being contracts in the ordinary course of business of the Company under the Listing Rules) have been entered into by members of the Group within the two years immediately preceding the date of this circular and are or may be material:

- (a) the Sale and Purchase Agreement; and
- (b) the subscription agreements dated 25 July 2025 entered into between the Company and six subscribers, pursuant to which the Company has conditionally agreed to issue, and the subscribers have conditionally agreed to subscribe for, the subscription shares comprising an aggregate of 2,490,500,000 new Shares at the subscription price of HK\$0.03 per subscription share. Completion of which took place on 18 August 2025.

## 7. SERVICE CONTRACT

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with the Company or any member of the Group which does not expire or is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

## 8. EXPERT AND CONSENT

The following is the qualifications of the expert who has been named in this circular and has given opinions and advice which are contained in this circular:

<b>Name</b>	<b>Qualification</b>
Suya WWC CPA Limited	Certified Public Accountants

The expert above has given and has not withdrawn their written consents to the issue of this circular with copies of the letters and the references to their names included herein the form and context in which they appear.

The letter from the above expert is given as of the date of this circular for incorporation herein.

As at the Latest Practicable Date, the expert above did not have any shareholding, directly or indirectly, in any member of the Group or the right (whether legally enforceable or not) to subscribe for or nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, the expert above did not have any direct or indirect interests in any assets which have since 31 December 2024 (being the date to which the latest published audited consolidated financial statements of the Group were made up) been acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

## 9. DOCUMENTS ON DISPLAY

Copies of the following documents will be displayed on the websites of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company at [www.northmining.com.hk](http://www.northmining.com.hk) in accordance with the Listing Rules for a period of not less than 14 days from the date of this circular.

- (a) the Sale and Purchase Agreement (as amended by the Supplemental Agreement);

- (b) the report on review of the financial information of the Disposal Group, the text of which is set out in Appendix II to this circular;
- (c) the report on the unaudited pro forma financial information of the Remaining Group, the text of which is set out in Appendix III to this circular;
- (d) the written consent referred to in the paragraph headed “8. EXPERT AND CONSENT” above in this appendix.

**10. MISCELLANEOUS**

- (a) The secretary of the Company is Ho Wing Yan who is a Chartered Secretary, a Chartered Governance Professional and an Associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.
- (b) The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (c) The principal place of business of the Company in Hong Kong is at Room 2004–05, 20/F, Kwan Chart Tower, 6 Tonnochy Road, Wan Chai, Hong Kong.
- (d) The principal share registrar and transfer office of the Company is Appleby Global Corporate Services (Bermuda) Limited, Canon’s Court, 22 Victoria Street, P.O. Box HM1179, Hamilton HM EX, Bermuda.
- (e) The branch share registrar and transfer office of the Company in Hong Kong is Tricor Investor Services Limited, 17th Floor, Far East Finance Centre, No. 16 Harcourt Road, Hong Kong.
- (f) The English text of this circular and the accompanying form of proxy prevails over the Chinese text in case of inconsistency.

---

## NOTICE OF SGM

---



# NORTH MINING SHARES COMPANY LIMITED

## 北方礦業股份有限公司

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 433)**

### NOTICE OF SPECIAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the special general meeting of North Mining Shares Company Limited (the “**Company**” and the “**SGM**”, respectively) will be held at Unit 1103–06, China Building, 29 Queen’s Road Central, Hong Kong on Friday, 13 March 2026 at 11:00 a.m. for the purposes of considering and, if thought fit, passing, with or without modifications, the following resolution as an ordinary resolution of the Company. Capitalised terms defined in the circular dated 13 February 2026 issued by the Company of which this notice forms part shall have the same meanings when used herein unless otherwise specified.

#### ORDINARY RESOLUTION

1. “**THAT**

- (a) the execution of the Sale and Purchase Agreement (as amended by the Supplemental Agreement) (a copy of which has been produced to the SGM marked “A” and initialled by the chairman of the SGM for identification purpose) entered into between the Company and the Purchaser by any Director of the Company or any person authorised by the Board, and the transactions contemplated thereunder, be and are hereby approved, confirmed and ratified; and
- (b) any Director be and is hereby authorised to do all such acts and things and sign, agree, ratify, execute, perfect or deliver all such documents or instruments under hand (or where required, under the common seal of the Company together with another Director or any person authorised by the board of Directors) and take all

---

## NOTICE OF SGM

---

such steps as the Director in his/her discretion may consider necessary, appropriate, desirable or expedient to implement, give effect to or in connection with the Sale and Purchase Agreement (as amended by the Supplemental Agreement) and the transactions contemplated thereunder.”

For and on behalf of  
**North Mining Shares Company Limited**  
**Yang Ying Min**  
*Chairman*

Hong Kong, 13 February 2026

*Notes:*

- (1) A shareholder of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a shareholder of the Company. In order to be valid, the form of proxy must be deposited at the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong in accordance with the instruction printed thereon, together with a power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, not less than 48 hours before the time appointed for holding the SGM or its adjournment.
- (2) Completion and return of the form of proxy will not preclude shareholders of the Company from attending and voting in person at the SGM or any adjournment.
- (3) For determining the right to attend and vote at the special general meeting, the register of members of the Company will be closed from Tuesday, 10 March 2026 to Friday, 13 March 2026 (both days inclusive), during which period no transfer of shares will be registered. In order to qualify for attending and voting at the SGM, all transfers documents, accompanied by the relevant share certificates, must be lodged with the Company’s Branch Share Registrar and Transfer Office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4: 30 p.m. on Monday, 9 March 2026.
- (4) If tropical cyclone warning signal no. 8 or above is hoisted or a black rainstorm warning signal is in force in Hong Kong at or after 9:30 a.m. on the date of the SGM, the meeting will be postponed or adjourned. The Company will post an announcement on the respective websites of the Company and The Stock Exchange of Hong Kong Limited to notify shareholders of the Company of the date, time and venue of the rescheduled meeting.
- (5) The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.

*As at the date of this notice, the Board of the Company comprises Mr. Yang Ying Min, Mr. Qian Yi Dong, Mr. Huang Zhidan, Mr. Shen Jian and Ms. Qian Si Qun as Executive Directors; and Mr. Shek Man Ho, Mr. Shen Ming Jie and Mr. Feng Jia Wei as Independent Non-executive Directors.*