

NORTH MNING SHARES COMPANY LIMITED

**REPORT ON
REVIEW OF HISTORICAL FINANCIAL INFORMATION OF
JIULONG INVESTMENT (SHANGHAI) COMPANY LIMITED AND ITS
SUBSIDIARIES
FOR THE YEARS ENDED 31 DECEMBER 2022, 31 DECEMBER 2023
AND 31 DECEMBER 2024
AND FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2025**

**JIULONG INVESTMENT (SHANGHAI) COMPANY LIMITED AND ITS
SUBSIDIARIES
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FOR THE YEARS ENDED 31 DECEMBER 2022, 31 DECEMBER 2023,
31 DECEMBER 2024 AND FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2025**

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**REPORT ON REVIEW OF HISTORICAL FINANCIAL INFORMATION OF
JIULONG INVESTMENT (SHANGHAI) COMPANY LIMITED AND ITS
SUBSIDIARIES FOR THE YEARS ENDED 31 DECEMBER 2022, 31 DECEMBER 2023
AND 31 DECEMBER 2024 AND
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2025**

To the Board of Directors of North Mining Shares Company Limited

INTRODUCTION

We have reviewed the unaudited historical financial information set out on pages 3 to 13 which comprise the unaudited statements of financial position of Jiulong Investment (Shanghai) Company Limited and its subsidiaries which is principally engaged in the Group's chemical trading operations (collectively, the "Disposal Group") as at 31 December 2022, 2023, 2024 and 30 September 2025 and the unaudited statements of comprehensive income, the unaudited statements of changes in equity and the unaudited statements of cash flows for the years then ended 31 December 2022, 2023 and 2024 and for the nine months ended 30 September 2025 ("Relevant Periods") and explanatory notes (the "Historical Financial Information"). The Historical Financial Information has been prepared by the directors of the Company solely for the purpose of inclusion in the circular to be issued by North Mining Shares Company Limited (the "Company") in connection with the disposal of the 100% equity interests in the Target Company in accordance with Rule 14.68(2)(a)(i)(A) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rule").

The directors of the Company are responsible for the preparation and presentation of the Historical Financial Information of the Disposal Group in accordance with the basis of preparation and presentation set out in note 2 to the Historical Financial Information and Rule 14.68(2)(a)(i) of the Listing Rule. The directors of the Company are also responsible for such internal control as management determines is necessary to enable the preparation and presentation of Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Our responsibility is to express a conclusion on the Historical Financial Information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 (Revised), "Engagements to Review Financial Statements" issued by The Hong Kong Institute of Certified Public Accountants ("HKICPA") 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 HKICPA. A review of the Historical Financial Information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

**REPORT ON REVIEW OF HISTORICAL FINANCIAL INFORMATION OF
JIULONG INVESTMENT (SHANGHAI) COMPANY LIMITED AND ITS
SUBSIDIARIES FOR THE YEARS ENDED 31 DECEMBER 2022, 31 DECEMBER 2023
AND 31 DECEMBER 2024 AND
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2025 (CONTINUED)**

SCOPE OF REVIEW (CONTINUED)


A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the Historical Financial Information of the Disposal Group for the Relevant Periods is not prepared, in all material respects, in accordance with the basis of preparation and presentation set out in note 2 to the Historical Financial Information.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

Without qualifying our conclusion, we draw attention to note 2 to the Historical Financial Information, which states that as at 30 September 2025, the Disposal Group has net current liabilities of HK\$1,177,739,000. The directors of the Company are of the opinion that on the basis of the successful implementation of the measures as set forth in note 2 to the Historical Financial Information in the foreseeable future and after assessing the Disposal Group's current and forecasted cash positions, the Group will be able to meet in full the Disposal Group's financial obligations as they fall due for the twelve months from 30 September 2025. These conditions, along with other matters as set forth in note 2 to the Historical Financial Information, indicate the existence of a material uncertainty which may cast significant doubt over the Target Company's ability to continue as a going concern.



Suya WWC CPA Limited
Certified Public Accountants

Chung King Ho
Practising Certificate Number: P06894

Hong Kong, 13 February 2026

JIULONG INVESTMENT (SHANGHAI) COMPANY LIMITED AND ITS SUBSIDIARIES
UNAUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Year ended 31 December			Nine months ended 30 September	
	2022 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)	2025 HK\$'000 (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)
Gross profit	88,893	92,407	72,940	12,279	20,095
Other income	1,543	324	173	136	383
Other (losses)/gains, net (note)	(107,246)	119,461	(47,419)	(321)	(319)
Provision for impairment losses under ECL, 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)
Operating (loss)/profit	(91,075)	113,171	(58,543)	(47,845)	(36,509)
Finance costs	(77,690)	(56,537)	(183,399)	(39,132)	(38,729)
(Loss)/profit before income tax	(168,765)	56,634	(241,942)	(86,977)	(75,238)
Taxation	-	-	-	-	-
(Loss)/profit for the year/period	(168,765)	56,634	(241,942)	(86,977)	(75,238)
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)
(Loss)/profit for the year/period	(168,765)	56,634	(241,942)	(86,977)	(75,238)

JIULONG INVESTMENT (SHANGHAI) COMPANY LIMITED AND ITS SUBSIDIARIES
UNAUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

	Year ended 31 December			Nine months ended 30 September	
	2022 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Other comprehensive (expenses)/income (net of tax effect):					
Items that may be reclassified Subsequently to profit or loss:					
Exchange differences	69,564	21,020	32,262	(7,783)	(28,548)
Total comprehensive (expenses)/income for the year/period	(99,201)	77,654	(209,680)	(94,760)	(103,786)
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)
Total comprehensive (expenses)/income for the year/period	(99,201)	77,654	(209,680)	(94,760)	(103,786)

Note: Included in other gains for the year ended 31 December 2023 was a gain of approximately HK\$201.98 million from the capitalisation of a loan into equity pursuant to the scheme implemented by the Company that was completed on 29 September 2023, which was non-operational in nature.

JIULONG INVESTMENT (SHANGHAI) COMPANY LIMITED AND ITS SUBSIDIARIES
UNAUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

Detail of other (losses)/gains as follow:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
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)	-	-	-
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Other (losses)/gains, net	(107,246)	119,461	(47,419)	(321)	(319)
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JIULONG INVESTMENT (SHANGHAI) COMPANY LIMITED AND ITS SUBSIDIARIES
UNAUDITED STATEMENTS OF FINANCIAL POSITION

	Year ended 31 December			Nine months ended 30 September	
	2022 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Assets					
Non-current assets					
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
Prepayments	-	3,084	-	-	-
	<u>150,806</u>	<u>115,538</u>	<u>76,465</u>	<u>88,176</u>	<u>52,699</u>
Current assets					
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
	<u>327,579</u>	<u>275,150</u>	<u>178,912</u>	<u>369,160</u>	<u>312,288</u>
Total assets	<u>478,385</u>	<u>390,688</u>	<u>255,377</u>	<u>457,336</u>	<u>364,987</u>

JIULONG INVESTMENT (SHANGHAI) COMPANY LIMITED AND ITS SUBSIDIARIES
UNAUDITED STATEMENTS OF FINANCIAL POSITION (CONTINUED)

	Year ended 31 December			Nine months ended 30 September	
	2022 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
EQUITY					
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)
Total equity	(911,068)	(833,414)	(1,043,094)	(928,174)	(1,146,880)
LIABILITIES					
Non-current liabilities					
Bank loans and other borrowings	-	-	-	-	21,840
	-	-	-	-	21,840
Current liabilities					
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
Total liabilities	1,389,453	1,224,102	1,298,471	1,385,510	1,511,867
Total equity and liabilities	478,385	390,688	255,377	457,336	364,987

JIULONG INVESTMENT (SHANGHAI) COMPANY LIMITED AND ITS SUBSIDIARIES
UNAUDITED STATEMENTS OF CHANGES IN EQUITY

	Share Capital HK\$'000 (Unaudited)	Exchange Reserves HK\$'000 (Unaudited)	Accumulated Loss HK\$'000 (Unaudited)	Non- controlling Interests HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)
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 expenses 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>

JIULONG INVESTMENT (SHANGHAI) COMPANY LIMITED AND ITS SUBSIDIARIES
UNAUDITED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

	Share Capital HK\$'000 (Unaudited)	Exchange Reserves HK\$'000 (Unaudited)	Accumulated Loss HK\$'000 (Unaudited)	Non- controlling Interests HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)
At 1 January 2024	69,799	21,636	(545,234)	(379,615)	(833,414)
Loss for the year	-	-	(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 year	-	(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 year	-	-	(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 year	-	(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>

JIULONG INVESTMENT (SHANGHAI) COMPANY LIMITED AND ITS SUBSIDIARIES
UNAUDITED STATEMENTS OF CASH FLOWS

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Cash flows from operating activities					
(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)
Operating loss before working capital changes	(52,709)	(39,462)	(24,026)	(21,035)	(9,680)
Decrease/(increase) in inventories	(93,379)	106,606	27,573	(45,780)	(11,454)
Decrease/(increase) in trade 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 receivables and accruals	138,890	13,301	(71,661)	101,921	55,963
Cash generated/(used in) from operations	3,939	(220)	3,146	5,050	3,465
Tax paid	(7)	-	-	-	-
Net cash (used in)/generated from operating activities	3,932	(220)	3,146	5,050	3,465

JIULONG INVESTMENT (SHANGHAI) COMPANY LIMITED AND ITS SUBSIDIARIES
UNAUDITED STATEMENTS OF CASH FLOWS (CONTINUED)

	Year ended 31 December			Nine months ended 30 September	
	2022 (Unaudited)	2023 (Unaudited)	2024 (Unaudited)	2024 (Unaudited)	2025 (Unaudited)
Cash flows from investing activities					
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
Net cash used in investing activities	(2,970)	(2,016)	(2,932)	(2,295)	(1,236)
Cash flows from financing activities					
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)
Net cash generated from/(used in) financing activities	12	(2,871)	7,164	9,845	(8,265)
Net increase/(decrease) in cash and cash equivalents	974	(5,107)	7,378	12,600	(6,036)
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
Cash and bank balances at 31 December	4,805	686	6,666	12,613	982
Analysis of balances of cash and cash equivalents					
Cash and bank balances	4,805	686	6,666	12,613	982

JIULONG INVESTMENT (SHANGHAI) COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED HISTORICAL 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, its 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 AND PRESENTATION

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.

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.

JIULONG INVESTMENT (SHANGHAI) COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE UNAUDITED HISTORICAL FINANCIAL INFORMATION (CONTINUED)

2. BASIS OF PREPARATION AND PRESENTATION (CONTINUED)

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.

As at 30 September 2025, the Disposal Group has net current liabilities of HK\$1,177,739,000 indicating the existence of material uncertainties which may cast significant doubt on the Target Company’s ability to continue as a going concern. The ability of the Target Company to continue as going concern is dependent on the undertaking of its shareholder to provide continuing financial support to enable the Target Company to meet their liabilities as and when they fall due. Notwithstanding the existence of these factors, the unaudited Historical Financial Information has been prepared on the going concern basis.

Should the Target Company be unable to continue in business as a going concern, adjustments would have to be made to write down the carrying amounts of the Target Company’s assets to their recoverable amounts, to provide for any further liabilities and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effects of these adjustments have not been reflected in the unaudited Historical Financial Information.