Jiangxi Copper Company Limited

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

(Stock Code · H Share: 0358 · A Share: 600362)

2015
Annual Report

Important Notice

I. The board of directors ("**Board**") and the supervisory committee of the Company and its directors, supervisors and senior management warrant the truthfulness, accuracy and completeness of the information contained in this annual report that there are no false representations, misleading statements contained herein or material omissions, and jointly and severally accept full responsibility.

II. Directors Absent

Mr. Liu Fangyun, Mr. Shi Jialiang and Mr. Qiu Guanzhou, the Directors, did not attend the Board meeting due to business engagement, but Mr. Liu Fangyun and Mr. Shi Jialiang appointed Mr. Li Baomin, the Chairman, and Mr. Qiu Guanzhou appointed Mr. Long Ziping as their proxies to attend and vote at the meeting on their behalf. Save as the above, all other Directors had attended the Board meeting for the approval of, among others, the annual results for the year ended 31 December 2015.

III. Deloitte Touche Tohmatsu Certified Public Accountants LLP issued a standard unqualified audit report to the Company.

IV. The person in charge of the Company, Li Baomin, the person in Charge of accounting, Wu Jinxing, and Manager of Finance Department (accounting chief), Jiang Liehui, hereby warrant the truthfulness, accuracy and completeness of the financial report as set out in this annual report.

V. Proposal of profit distribution plan or transfer of capital reserve to share capital during the reporting period after consideration by the Board

The Board has recommended distributing to all shareholders a final dividend of RMB0.10 per share (inclusive of tax) for 2015. The Board of the Company did not recommend transfer of capital reserve to share capital or issue of bonus shares.

VI. Statement for the risks involved in the forward-looking statement

This annual report contains forward-looking statements that involve future plans and development strategies which do not constitute a commitment by the Company to its investors. Investors should be aware of the investment risks.

VII. Is there any misappropriation of funds by the controlling shareholders and their connected parties for non-operation purpose?

No

VIII. Is there any external guarantee made in violation of the required decision-making procedures?

No

IX. Notice of principal risks

The Company has described the industrial risks in details in the report. Please refer to the discussion and analysis on the future development of the Company in the Report of the Board for the possible risk factors and strategies.

X. Others

Unless otherwise specified, financial data involved in this report was extracted from audited consolidated financial statements of the Company and its subsidiaries (the Group) prepared in accordance with the PRC GAAP.

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Definitions and Notice of Principal Risks

I. Definitions

Terms used herein, unless otherwise specified, shall have the same meanings ascribed to them in the report:

Definitions to the frequently-used terms:

CSRC	China Securities Regulatory Commission
SSE	Shanghai Stock Exchange
Company or Jiangxi Copper	Jiangxi Copper Company Limited
Group	The Company and its subsidiaries
JCC Group	Jiangxi Copper Group Limited and its subsidiaries, exclusive of the Group
Copper concentrate	Copper concentrate is the concentrate from low grade ore containing copper after going through the processing procedures and has reached a certain quality standard, which can be directly used for smeltery in smelting plants
Copper in copper concentrate	The amount of copper in copper concentrate

II. Notice of principal risks

The Company has described the industrial risks in details in the report. Please refer to the discussion and analysis on the future development of the Company in the Report of the Board for the possible risk factors and strategies.

Corporate Profile

I. Corporate information

Name of the Company in Chinese	江西銅業股份有限公司
Chinese abbreviation	江西銅業
Name of the Company in English	Jiangxi Copper Company Limited
English abbreviation	JCCL
Legal representative	Li Baomin

II. Contact persons and contact methods

	Secretary to the Board	Securities Affairs Representative
Name	Huang Dongfeng	Xiao Huadong
Address	7666 Changdong Avenue, High and New Technology Development Zone, Nanchang, Jiangxi Province, the People's Republic of China	7666 Changdong Avenue, High and New Technology Development Zone, Nanchang, Jiangxi Province, the People's Republic of China
Telephone	0791-82710117	0791-82710111
Facsimile	0791-82710114	0791-82710114
E-mail	jccl@jxcc.com	jccl@jxcc.com

Corporate Profile

III. Basic information

Registered address of the Company	15 Yejin Avenue, Guixi City, Jiangxi, the People's Republic of China
Postal code of the registered address of the Company	335424
Office address of the Company	7666 Changdong Avenue, High and New Technology Development Zone, Nanchang, Jiangxi Province, the People's Republic of China
Postal code of the office address of the Company	330096
Website of the Company	http://www.jxcc.com
E-mail	jccl@jxcc.com

IV. Information disclosure and place of inspection

Newspapers selected by the Company for information disclosure	Shanghai Securities News
Website designated by CSRC for publishing the annual report	www.sse.com.cn
Place of inspection of annual report	7666 Changdong Avenue, High and New Technology Development Zone, Nanchang, Jiangxi Province, the People's Republic of China

V. Information on the Company's shares

Securities' information of the Company			
Class of shares	Stock Exchange of listing shares	Stock abbreviation	Stock code
A Shares	Shanghai Stock Exchange	Jiangxi Copper	600362
H Shares	The Stock Exchange of Hong Kong Limited	Jiangxi Copper	0358

VI. Other relevant information

Auditor appointed by the Company (Domestic)	Name	Deloitte Touche Tohmatsu Certified Public Accountants LLP
	Office address	30th Floor Bund Center 222 Yan An Road (East) Shanghai the People's Republic of China
	Name of auditor as signatories	Yang Haijiao (楊海蛟) Ma Renjie (馬仁傑)
Auditor appointed by the Company (Overseas)	Name	Deloitte Touche Tohmatsu
	Office address	35th Floor One Pacific Place 88 Queensway Hong Kong
Sponsor engaged by the Company to continuously perform its supervisory function during the reporting period	Name	China International Capital Corporation Limited
	Office address	27th and 28th Floors China World Tower 2 No. 1 Jianguomenwai Avenue Beijing
	Name of sponsor representatives as signatories	Xu Kang (徐康) Du Yiqing (杜禕清)
	Period of continuously performing supervisory function	September 2008-December 2015

Summary of Accounting Data and Financial Indicators

I. Major accounting data and financial indicators for the last three years of the Company during the reporting period

(I) Major accounting data (Prepared in accordance with the PRC GAAP)

Unit: Yuan Currency: RMB

Major accounting data	2015	2014	Increase/decrease for the period over the same period last year (%)	2013
Operating revenue	**185,782,491,341**	198,833,486,017	**-6.56**	175,890,190,968
Net profit attributable to shareholders of the Company	**637,218,130**	2,850,649,245	**-77.65**	3,565,009,194
Net profit after non-recurring profit and loss items attributable to shareholders of the Company	**121,883,714**	1,733,560,208	**-92.97**	3,122,198,232
Net cash flows from operating activities	**1,902,023,306**	1,735,447,985	**9.6**	5,232,520,379

	End of 2015	End of 2014	Increase/decrease at the end of the period over the end of the same period last year (%)	End of 2013
Net assets attributable to shareholders of the Company	**45,906,380,055**	45,733,876,161	**0.38**	44,522,786,074
Total assets	**89,755,211,107**	95,322,374,877	**-5.84**	88,766,654,061
Total share capital at the end of the period	**3,462,729,405**	3,462,729,405	**0**	3,462,729,405

(II) Major financial indicators

Major financial indicator	2015	2014	Increase/decrease for the period over the same period last year (%)	2013
Basic earnings per share *(RMB/share)*	**0.18**	0.82	-78.05	1.03
Diluted earnings per share *(RMB/share)*	**0.18**	0.82	-78.05	1.03
Basic earnings per share after non-recurring profit and loss items *(RMB/share)*	**0.04**	0.50	-92	0.90
Return on net assets (weighted average) *(%)*	**1.39**	6.32	Decreased by 4.93 percentage points	8.16
Return on net assets after non-recurring profit and loss items (weighted average) *(%)*	**0.27**	3.84	Decreased by 3.57 percentage points	7.15

II. Differences in accounting data between IASs and PRC GAAP

(I) Differences in net profit and net assets attributable to shareholders of the Company in the financial reports prepared under IASs and PRC GAAP

Unit: Yuan Currency: RMB

	Net profit		Net assets attributable to shareholders of the Company	
	Amount for the period	Amount for the pervious period	**As at the end of the period**	As at the beginning of the period
Under PRC GAAP	**637,218,130**	2,850,649,245	**45,906,380,055**	45,733,876,161
Adjustments to items and amounts under IASs:				
Production safety fund provided under the PRC GAAP but not used during the period	**50,435,049**	48,559,534		
Income tax effect on production safety fund	**1,921,988**	1,151,380	**-4,180,835**	6,102,823
Under IASs	**689,575,167**	2,899,101,316	**45,902,199,220**	45,727,773,338

III. Major quarterly financial data in 2015

Unit: Yuan Currency: RMB

	Q1 (January-March)	Q2 (April-June)	Q3 (July-September)	Q4 (October-December)
Operating revenue	32,466,197,420	43,079,327,965	39,335,329,475	70,901,636,481
Net profit attributable to shareholders of the Company	134,904,251	761,458,677	332,750,962	-591,895,760
Net profit after non-recurring profit and loss items attributable to shareholders of the Company	-3,015,423	463,417,898	232,879,434	-571,398,195
Net cash flows from operating activities	123,906,503	4,865,722,419	599,259,992	-3,686,865,608

IV. Non-recurring profit and loss items and amount

Unit: Yuan Currency: RMB

Non-recurring profit and loss items	**2015 amount**	Notes (if applicable)	2014 amount (%)	2013 amount
Gains/losses from disposal of non-current assets	**-26,564,619**		-39,649,118	-53,849,052
Ultra vires approval, or no formal approval document, or incidental tax return and reduction				
Government grant as included in profit and loss of the current period, other than those closely relating to the normal business of enterprises and subject to a fixed amount or quantity under certain standard required by national policies	**130,017,135**		109,049,458	125,810,017
Fund occupation expense collected from the non-financial enterprises calculated into the current profits and losses				
The investment cost of the subsidiaries, associates and joint enterprise obtained by the enterprise is less than the profit generated from the fair value of identifiable net assets of the invested unit enjoyed when investment is obtained				
Profit and loss from exchange of non-monetary assets				
Profit and loss from investment or asset management entrusted to others				
Provision for impairment reserves due to force majeure factor, such as natural disasters				

Summary of Accounting Data and Financial Indicators

Non-recurring profit and loss items	2015 amount	Notes (if applicable)	2014 amount	2013 amount
			(%)	
Profit and loss from debt restructuring				
Enterprise restructuring expense, such as employee placement expenditure, integration expenses and so on				
Profit and loss exceeding the fair value generated in the fair transaction at transaction price				
Current net profit or loss from the beginning of period to the combination date of the subsidiary company generated from enterprise combination under the same control				
Profit and loss generated from contingencies unrelated with normal transactions of the Company				
Fair value profit and loss from financial assets and financial liabilities held for trading, and investment gains from disposal of financial assets and liabilities held for trading and available-for-sale financial assets except for effective portion of normal transactions qualified for hedge accounting of the Company	**514,659,035**		1,482,905,169	493,475,946

Summary of Accounting Data and Financial Indicators

Non-recurring profit and loss items	2015 amount	Notes (if applicable)	2014 amount (%)	2013 amount
Provision for impairment of the receivables for independent impairment test	**246,914,831**			
Profit and loss from foreign entrusted loan				
Profit and loss from changes in the fair value of the investment real estate subject to subsequent measurement in the mode of fair value				
Influence of one-time adjustment on current profits and losses according to requirements in the laws and regulations of tax and accounting				
Income from trustee fee obtained from entrusted operation				
Other non-operating income and expenses other than the above	**69,887,172**		-254,130	13,102,414
Other profit and loss items conforming to definition of non-recurring items	**-366,248,620**			171,445,285
Impact from minority interests	**-120,319,110**		-86,639,118	-140,599,525
Impact from income tax	**-211,026,516**		-348,323,224	-166,574,123
Total	**515,334,416**		1,117,089,037	442,810,962

V. Items measured at fair value (Prepared in accordance with the PRC GAAP)

Unit: Yuan Currency: RMB

Item	Opening balance	Closing balance	Change during the period	Impact on profit of the current period
1. Investment in held-for-trading equity instruments				
Equity investments	747,420	27,931,358	27,183,938	3,329,978
2. Investment in held-for-trading debt instruments				
Bond investment	47,411,459	129,015,162	81,603,703	(1,647,716)
3. Derivatives not designated as a hedge				
Forward foreign exchange contracts	(95,254,585)	25,412,025	120,666,610	120,666,610
Interest rate swap contracts	(374,880)	(636,234)	(261,354)	(261,354)
Commodity option contracts	(4,338,401)	(39,703,764)	(35,365,363)	(8,032,085)
Commodity derivative contracts	189,172,559	332,410,844	143,238,285	138,010,283
Gold forward contracts	(121,210,566)	(118,694,210)	2,516,356	24,740,758
Currency swap contracts	(6,158,278)	(5,400,702)	757,576	757,576
4. Liabilities arising from the lease of gold measured at fair value	(2,416,716,699)	(1,758,825,082)	657,891,617	(46,030,027)
5. Hedging instruments				
(1) Non-effective hedging derivative instruments				
Commodity derivative contracts	1,726,897	2,474,154	747,257	747,257
Provisional price arrangement	11,607,899	8,607,217	(3,000,682)	(3,000,682)
(2) Effective hedging derivative instruments				
Commodity derivative contracts	42,753,110	1,129,367	(41,623,743)	(1,539,058)
Item at fair value included in inventory	1,832,738,458	2,298,168,028	465,429,570	(147,425,971)
Provisional price arrangement	59,014,655	198,693,155	139,678,500	139,678,500
6. Available-for-sale financial assets				
Available-for-sale equity instruments		1,338,444,714	1,338,444,714	
Available-for-sale debt instrument	1,923,080,840	1,851,224,562	(71,856,278)	
Total	1,464,199,888	4,290,250,594	2,826,050,706	219,994,069

Business Overview of the Company

I. Explanation on principal business, operation mode and industry situation of the Company during the report period

(I) Principal business and operation mode of the Company

The principal business of the Company covers copper mining and dressing, smelting and processing, extraction and processing of the precious metal and scattered metal, sulphuric chemistry as well as finance and trade fields. It has established the complete industrial chain integrated with exploration, mining, ore dressing, smelting and processing in copper and related nonferrous metal fields. It is the important production base of copper, gold, silver and sulphuric chemistry. The main products of the Company include more than 50 varieties, such as copper cathodes, gold, silver, sulphuric acid, copper rod, copper tube,copper foil, selenium, tellurium, rhenium, bismuth, etc.

The main assets owned and controlled by the Company include:

1. Six mines under production: Dexing Copper Mine (including copper factory mining area, Fujiawu mining area and Zhushahong mining area), Yongping Copper Mine, Chengmenshan Copper Mine (including Jinjiwo Silver-Copper Mine), Wushan Copper Mine, Dongxiang Copper Mine and Yinshan Lead-Zinc Mine.

2. Guixi Smelter, the largest blister and copper concentrate smelter and refiner in the PRC with the largest scale, most advanced technologies and best environment protection.

3. Seven modern copper products processing plants: Jiangxi Copper Products Company Limited, Guangzhou Copper Production Company Limited (廣州銅材有限公司), Jiangxi Copper Yates Copper Foil Company Limited, Jiangxi Copper Taiyi Special Electrical Materials Company Limited, Jiangxi Copper (Longchang) Precise Pipe Company Limited, Jiangxi Copper Corporation Copper Products Company Limited and JCC North China Copper Co., Ltd. (江銅華北天津銅業有限公司).

4. Two sulphuric acid plants with advanced technology: JCC – Wengfu Chemical Company Limited and Jiangxi Copper (Dexing) Chemical Company Limited.

(II) Explanation on the industry

In 2015, the whole nonferrous metal market was sluggish and the copper price dropped remarkably by maximum 27.5% due to combined impact of imbalance between supply and demand, stronger US dollar and other unfavorable factors. In the global context, the price of nonferrous metal dropped as a result of interest rates increase and appreciation of US dollar on one hand, and on the other hand the demand for nonferrous metal was decreasing generally in the world real economy with the pattern of oversupply unchanged. In domestic economic climate, the investment growth slowed down, the basic material industry saw serious overcapacity, and the inventory of real estate was high, thus reduction of capacity and inventory is still a big challenge in the years to come; the foreign debt ratio of real enterprises was high with profitability decreasing gradually and capital was flowing out of the real economy, further affecting the demand for basic raw materials and delaying recovery of the nonferrous industry.

II. Analysis of core competitiveness during the reporting period

The Group has established its industry chain with core businesses such as mining, milling, smelting and processing of copper, as well as extraction and processing of sulphur chemicals, precious and rare metals after thirty years of development. The Group also conducts business in various areas such as finance and trading at the same time.

1. Advantages on mines. The Group places development of mines as the most important strategy, and has been dedicated to seeking and controlling more resources and rasing the production volume of self-owned mines. As at the end of 2015 the Group maintained its major resources as follows:

   The Company had 100% ownership in the proven resource reserve of approximately 10,360,000 tonnes of copper metal, 331 tonnes of gold, 9,352 tonnes of silver, 237,000 tonnes of molybdenum, 100,680,000 tonnes of sulphur. Among the resources jointly controlled by the Company and other companies, metal resource reserves attributable to the Company (based on its equity percentage) were approximately 4,790,000 tonnes of copper and 42.4 tonnes of gold.

2. Scale benefits in the industry. The Group is the largest copper concentrate producer domestically, and has the largest copper mine at home, Dexing Copper Mine with annual production of copper in copper concentrate of 210,000 tonnes. Currently, the capacity of cathode copper is over 1,200,000 tonnes per year and Guixi Smelter is the copper smelter with the largest monomer smelting scale in the world. The Group is also the largest copper processer with annual copper products of over 900,000 tonnes processed.

3. Advantages on technology and talents. The Group possessed industry-leading copper smelting and mine development technologies. After years of accumulation, the Group has reserved abundant mines and talents specialized in smelting and equipped with ability and advantages for reproducing and operating similar mines or for expanding the smelting enterprises.

4. Advantages on brand. The Group operates with a complete industry chain of mining, milling, smelting and processing. Being larger in scale and better in reputation, the Company's consolidated strength and profitability have enabled it to be positioned in among top 500 Chinese enterprises and top 500 Chinese manufacturing enterprises for consecutive years. The Company could gain recognition, trust, support and aid from various sectors of the society, with relatively strong capability to resist risks.

Management Discussion and Analysis

(The following data is extracted from the consolidated financial statements prepared under the PRC GAAP)

I. Discussion and analysis on the Company's operation during the reporting period by the Board

Facing severe economic conditions, the Group smoothly achieved the production target made at the beginning of the year overcoming different kinds of obstacles. The Group produced 209,000 tons of copper concentrates containing copper, basically the same as last year; produced 1,250,000 tons of cathode copper, which is 50,000 tons more than the cathode copper produced in the last year; produced 26 tons of gold and 570 tons of silver, basically the same as last year; produced 950,000 tons of various copper products, which are 90,000 tons more than the copper products produced in the last year; produced 3,070,000 tons of sulphuric acids and 2,510,000 tons of sulphur concentrates, basically the same as last year; furthermore, produced 6,906 tons of standard molybdenum concentrates (average grade at 45%), 2,761kg ammonium perrhenate, 55 tons of refined tellurium and 658 tons of refined bismuth.

In the reporting period, the world economic recovery was slow, the trend of the advanced economies was differentiated and the speedup of the emerging economies was slowed. Chinese economy was downward under a pressure-bearing state, its real economy developed difficultly and business operation risk also sharply increased. Under the leadership of the Board of the Company and the endeavor made by all staff, the Group consistently adhered to the development principle of "advancing with stable improvement and transforming with continuous innovation". As such, we overcame various difficulties and accomplished the annual production and operation plan smoothly through cost reduction, risk control and reform intensification as well as other measures.

In respect of industrial production, various production indexes continuously achieved optimal scores by carrying forward benchmarking management by the Group: in the 16 smelting indexes of Guixis melting plant, 15 smelting indexes reached the highest level in history and 6 smelting indexes reached the world advanced level or the first level, and meanwhile, 9 mineral separation key indexes of Dexing Copper Plant reached the highest level in history, therefore creating substantial economic benefit for the Group while strengthening its position in industry. In 2015, the Group totally produced 1,250,000 tons of cathode copper and stably promoted the output. Under the effect of scientific planning and precision management, all the copper mines of the Group fully exerted the capacities of the copper mines. 209,000 tons of copper concentrates containing copper, basically the same as last year, were totally produced in the whole year. All the copper processing enterprises of the Group are stable in production. First-level and second-level product rate of copper rods and comprehensive yield of copper pipes are both maintained at high level.

In respect of cost control, to cope with severe market situation, the Company has taken a series of cost reduction measures and has achieved excellent effects. The Group has saved merchant transportation fee, RMB36,000,000, in the whole year, by merchant transportation mode and further rationalizing the links, such as, customs, commodity inspection, port, railway, and the like. The Group grasped the opportunity of continuous PPI descending and dynamically adjusted the purchase policy, therefore reducing the purchase cost and market price by 4.8% year-on-year. The Group always insists in running business on the basis of hardworking and thrifty principle and strictly controls the running expenses, therefore reducing the controllable management fees, such as, conference expense, travel expense, and the like, by 20.7% year-on-year.

In respect of management innovation, the Group gave great impetus to comprehensive budget management and created a budget system with subdivide pointer and clear rights and liabilities for the pilot units, therefore effectively reducing the production cost of enterprise. The Group systemically optimized the material purchase business, commercial sale business and financial accounting business and built a production and operation management information platform, therefore realizing the comprehensive online of cooperative office system and continuously promoting the information management level.

In respect of risk control, in the face of bad market conditions, the Group focused on the boosting for the construction of internal control system and the strengthening for the comprehensive risk management. Besides, the Group revised and perfected series documents, such as, ‘perfecting scheme for internal control system’, as well as the internal control on eight management processes, such as, purchase, sale, contract, capital activity, and the like. Complete legal organisation and institutions, creative legal management concept and legal risk prevention system based on beforehand prevention, in-process control and afterward remedy have been further perfected. The business risk prevention and control were reinforced; the marketing mode for copper products was adjusted and the receivable credit scale was strictly controlled.

In respect of safety and environmental protection, the Group strongly and effectively promoted the construction for ‘hidden-danger checking and solving system’, and the safety production situation was kept stable in the whole year. The Group put forth effort to comprehensively boost the safe standard work and carried out the establishment for safety standardized review and safety standard of mineral separation factory. Meanwhile, the Group continuously reinforced the construction for environmental monitoring capacity, strictly recorded the monitor data and has achieved effective management and control.

According to the audited 2015 consolidated financial statement compiled on the basis of Chinese accounting standard, the consolidated operating income of the Group is RMB185,782,491,341 (2014: RMB198,833,486,017), a year-on-year decrease of RMB13,050,994,676 (or -6.56%); achieving net profit attributable to shareholders of parent company of RMB637,218,130 (2014: RMB2,850,649,245), a year-on-year decrease of RMB2,213,431,115 (or -77.65%); the earning per share is basically RMB0.18 (2014: RMB0.82), a year-on-year decrease of RMB0.64 (or -78.05%).

(I) Analysis of principal businesses

1. Table of movement analysis for the related items in income statement and cash flow statement

Unit: Yuan Currency: RMB

Items	Amount for the period	Amount For the same period last year	Changes (%)
Operating income	185,782,491,341	198,833,486,017	-6.56
Operating cost	181,478,255,317	192,224,685,633	-5.59
Selling and distribution expenses	515,355,849	547,006,816	-5.79
Administrative expenses	2,026,445,194	1,846,404,988	9.75
Finance costs	533,712,434	-5,571,471	9,679.38
Net cash flow from operating activities	1,902,023,306	1,735,447,985	9.6
Net cash flow from investment activities	-794,954,150	-2,999,813,269	73.50
Net cash flow from financing activities	-3,937,996,211	973,885,835	-504.36
Expenses on research and development	1,713,938,000	2,326,130,110	-26.32

2. Analysis on income and cost

(1) Principal businesses by industry, by product and by geographical location

Unit: Yuan Currency: RMB

Principal businesses by industry						
By industry	Operating revenue	Operating cost	Profit margin (%)	Increase/ decrease in operating revenue over last year (%)	Increase/ decrease in operating cost over last year (%)	Increase/ decrease in profit margin over last year (%)
Manufacturing of non-ferrous metals	57,927,745,122.00	53,938,491,710.00	6.89%	-16.95%	-14.40%	-28.69%
Trade	127,136,100,925.00	126,869,685,204.00	0.21%	-0.67%	-1.04%	229.87%

Principal businesses by product						
By product	Operating revenue	Operating cost	Profit margin (%)	Increase/ decrease in operating revenue over last year (%)	Increase/ decrease in operating cost over last year (%)	Increase/ decrease in profit margin over last year (%)
Copper cathodes	113,156,062,769.00	111,735,266,870.00	1.26%	-3.50%	-2.77%	-37.16%
Copper rods and wires	38,126,940,385.00	36,935,418,203.00	3.13%	-17.26%	-14.64%	-48.76%
Copper processing products	3,079,239,004.00	3,047,830,766.00	1.02%	-40.63%	-40.76%	25.19%
Gold	6,154,781,259.00	5,762,729,183.00	6.37%	-16.18%	-17.74%	38.53%
Silver	2,816,113,728.00	2,703,836,377.00	3.99%	6.62%	6.61%	0.14%
Chemical products	1,348,034,879.00	1,077,079,868.00	20.10%	-2.51%	1.32%	-13.06%
Rare metals and other non-ferrous metals	17,890,198,750.00	17,161,215,311.00	4.07%	15.06%	13.81%	34.79%
Others	2,492,475,273.00	2,384,800,336.00	4.32%	8.67%	8.77%	-1.97%

Principal businesses by geographical location						
By geographical location	Operating revenue	Operating cost	Profit margin (%)	Increase/ decrease in operating revenue over last year (%)	Increase/ decrease in operating cost over last year (%)	Increase/ decrease in profit margin over last year (%)
Mainland China	165,251,322,103	161,091,231,666	2.52%	-4.58%	-4.06%	-17.44%
Hong Kong	11,181,744,059	11,138,792,759	0.38%	14.94%	21.83%	-93.62%
Others	8,630,779,885	8,578,152,489	0.61%	-41.81%	-39.46%	-86.36%
Total	185,063,846,047	180,808,176,914	2.30%	-6.41%	-5.44%	-30.36%

Explanation on principal businesses by industry, by product and by geographical location

1) *Copper cathode*

During the reporting period, due to the significant decrease in the copper price globally, the operating revenue from copper cathodes decreased by RMB4,109.67 million or 3.50% as compared with the same period of last year; the operating cost decreased by RMB3,187.34 million or 2.77% as compared with the same period of last year; the gross profit decreased by RMB922.33 million as compared with the same period of last year; and the gross profit margin decreased to 1.26% in this period from 2% in the same period of last year.

2) *Copper rods and wire*

During the reporting period, due to the significant decrease in the copper rods and wire price, the operating revenue from copper rod and wire decreased by RM7,952.89 million or 17.26% as compared with the same period of last year; the operating cost decreased by RMB6,333.85 million or 14.64% as compared with the same period of last year; the gross profit decreased by RMB1,619.03 million as compared with the same period of last year; and the gross profit margin decreased to 3.13% in this period from 6.10% in the same period of last year.

3) *Copper processing products other than copper rod and wire*

During the reporting period, due to the decrease in the copper processing product price, the operating revenue from processed copper products other than copper rod during the period decreased by RMB2,107.66 million or 40.63% as compared with the same period of last year while the operating cost decreased by RMB2,096.81 million or 40.76% as compared with the same period of last year; the gross profit decreased by RMB10.85 million as compared with the same period of last year while the gross profit margin increased to 1.02% in this period from 0.81% in the same period of last year.

4) Gold

During the reporting period, operating revenue of gold decreased by RMB1,118.26 million or 16.18% as compared with last year due to the decrease in selling price. Operating costs decreased by RMB1,242.68 million or 17.74% as compared with last year. Gross profit of gold increased by RMB54.41 million or as compared with last year while gross profit margin increased from 4.60% last year to 6.37% for the year due to the decrease amount of operating costs is large than that of operating revenue.

5) Silver

During the reporting period, due to increase in the sales volume of silver, the operating revenue from silver increased by RMB174.84 million or 6.62% as compared with the same period of last year while the operating cost increased by RMB167.72 million or 6.61% as compared with the same period of last year; the gross profit increased by RMB7.12 million or 0.14% as compared with the same period of last year and the gross profit margin increased to 3.99% in this period from 3.98% in the same period of last year.

(2) Analysis table for output and sales

Major products	Output	Sales	Stock	Output Increased (reduced) Year-on-year *(%)*	Sales Increased (reduced) Year-on-year *(%)*	Stock Increased (reduced) Year-on-year *(%)*
Cathode copper *(ton)*	1,258,517	1,275,427	12,198	-1.74%	-1.45%	-58.09%
Gold *(kg)*	26,115	25,885	335	-1.86%	-1.82%	218.25%
Silver *(kg)*	570,818	569,844	6,386	0.70%	0.66%	17.99%
Sulphuric acids *(ton)*	3,077,969	3,077,322	35,589	0.64%	-2.56%	1.85%

Explanation on purchase and sales volume

The total sales to the top five customers amounted to RMB16,686,400,000, making up 8.98% of the total sales amount.

(3) Analysis on costs

Unit: Yuan Currency: RMB

By industry							
By industry	Cost constituent	Amount for the period	Share of total costs for the period (%)	Amount for the same period last year	Share of total costs for the same period last year (%)	Changes of the amount for the period compared to the same period last year (%)	Explanation
Manufacturing of non-ferrous metals	Raw materials	44,924,284,422	24.84	53,361,988,015	27.91	-15.81	
	Energy power	2,072,201,478	1.15	2,114,200,134	1.11	-1.99	
	Labour	1,119,323,037	0.62	990,551,178	0.52	13	
	Overheads	4,337,679,214	2.4	4,139,322,171	2.16	4.79	
	Sub-total	52,453,488,151	29.01	60,606,061,498	31.70	-13.45	
	Trading of non-ferrous metals and others	128,354,688,763	70.99	130,606,102,666	68.30	-1.72	
	Total	180,808,176,914	100.00	191,212,164,164	100.00	-5.44	

By product	Cost constituent	Amount for the period	Share of total costs for the period (%)	Amount for the same period last year	Share of total costs for the same period last year (%)	Changes of the amount for the period compared to the same period last year (%)	Explanation
Copper product	Raw materials	37,378,439,081	84.71	44,985,597,179	87.34	-16.91	
	Energy power	1,888,329,186	4.28	1,936,798,306	3.76	-2.5	
	Labour	967,177,643	2.19	859,192,625	1.67	12.57	
	Overheads	3,893,777,982	8.82	3,721,877,652	7.23	4.62	
	Sub-total	44,127,723,892	100.00	51,503,465,762	100.00	-14.32	
By-products of precious metals	Raw materials	7,098,853,540	99.06	7,860,927,843	99.22	-9.69	
	Energy power	4,358,432	0.06	4,602,471	0.06	-5.3	
	Labour	16,448,910	0.23	14,161,460	0.18	16.15	
	Overheads	46,552,813	0.65	43,119,748	0.54	7.96	
	Sub-total	7,166,213,695	100.00	7,922,811,522	100.00	-9.55	
Chemical products	Raw materials	423,959,807	38.1	427,674,333	41.88	-0.87	
	Energy power	175,927,415	15.81	164,801,152	16.14	6.75	
	Labour	128,284,027	11.53	101,103,299	9.90	26.88	
	Overheads	384,520,654	34.56	327,684,693	32.09	17.34	
	Sub-total	1,112,691,903	100.00	1,021,263,477	100.00	8.95	
Rare metals	Raw materials	23,031,994	49.15	87,788,660	55.38	-73.76	
	Energy power	3,586,445	7.65	7,998,205	5.05	-55.16	
	Labour	7,412,457	15.82	16,093,794	10.15	-53.94	
	Overheads	12,827,765	27.38	46,640,078	29.42	-72.5	
	Sub-total	46,858,661	100.00	158,520,737	100.00	-70.44	
Trading and others		128,354,688,763		130,606,102,666		-1.72	
	Total	180,808,176,914		191,212,164,164		-5.44	

(4) *Major Suppliers*

During the reporting period, the aggregate procurement amount, excluding trading business, from our five largest suppliers was RMB8,036,465,536, representing 17.10% of the total procurement amount of the Company.

3. Expense

Unit: Yuan Currency: RMB

Item	Accumulated amount for the period	Accumulated amount for the same period last year	Increase/ (decrease) over the same period last year (%)	Reasons for the changes
Selling and distribution expenses	515,355,849	547,006,816	-5.79%	The reduction in the export volume of cathode copper of the Company resulted from the decrease in export fees.
Administrative expenses	2,026,445,194	1,846,404,988	9.75%	The major reason is the new supplementary pension of the enterprise.
Finance costs	533,712,434	-5,571,471	9,679.38%	Under the influence of RMB currency fluctuation in international market, exchange loss floating is obvious.

4. R&D investment

(1) R&D investment table

Unit: Yuan Currency: RMB

Expenditure R&D investment in current period	1,256,611,000
Capitalization R&D investment in current period	457,327,000
Sum of R&D investment	1,713,938,000
Percentage *(%)* of sum of R&D investment in operating income	0.92
Amount of R&D personnel in the Company	653
Percentage *(%)* of number of R&D personnel in total number of staff of the Company	3.1
Proportion of R&D investment capitalization	26.68

(2) *Explanation*

During the report period, for the purpose of promoting the capability of independent innovation, the Group specifically developed a series of R&D projects around production and construction center tasks and carried out the work according to the practical conditions of the Company.

The R&D projects of the Group contained a complete industry chain (exploration, selection and purchase, smelting and processing) and were specifically invested in environmental protection, resource regeneration, and the like. During the reporting period, the Group reported three projects, namely, 2015 national scientific and technological progress award "large-scale open-pit metal mine safe and efficient mining key technique and application", "copper electrolysis technical innovation project" and national technological invention award "controllable pressurizing leaching technology for complex and demanding resources". Besides, the Company also performed industrialization research on the projects, such as, "research on vertical mill filling medium replacement", "research on optimization for black copper sludge processing technique", "research on comprehensive utilization technique for high magnesium copper concentrate', 'research on new technology for Dexing copper fine copper-molybdenum separation', 'research on high-stability and low-cost filling mining complete technique', and the like.

The abovementioned research and development projects were well under progress, missions and indicators of research in some of the projects have been delivered. Meanwhile, the Group applied patent certificates for some scientific research projects. The Group believes that the continuous implementation of research and development projects will underpin positive development and the fostering of new growth engine.

5. Cash Flow

Unit: 0'000 Currency: RMB

Item	Amount for the year	Amount for the same period last year	Changes (%)
Net cash flow from operating activities	190,202	173,545	9.60
Net cash flow from investing activities	-79,495	-299,981	73.50
Net cash flow from financing activities	-393,800	97,389	-504.36

(1) The reason for change in cash flow generated in business activities: compared with net inflow of last year, RMB167,000,000 is reduced in this year, which is mainly attributable to the reduction of funds occupied by stock.

(2) The reason for change in cash flow generated in investment activities: compared with net outflow of last year, this year saw a decrease of RMB2,205,000,000, mainly attributable to the increase of new subsidiaries and cash from disposal of subsidiaries and the decrease of net inflow from investment activities.

(3) The reason for change in cash flow generated in financing activities: compared with last year, net outflow increased by RMB4,912,000,000 in this year, mainly attributable to the increase of cash paid for credit repayment.

(III) Analysis of asset and liability

Assets and liabilities

Unit: Yuan Currency: RMB

Item	Amount as at the end of the period	Share of total assets as at the end of the period (%)	Amount as at the end of the previous period	Share of total assets as at the end of the previous period (%)	Changes in the amount as at the end of the period over the end of the previous period (%)	Explanation
Financial assets at fair value through profit or loss	**771,946,511**	**0.86%**	399,043,432	0.42%	93.45%	*Note 1*
Notes receivable	**3,172,899,600**	**3.54%**	6,939,014,175	7.28%	-54.27%	*Note 2*
Factoring business receivables	**1,386,701,367**	**1.54%**	884,839,337	0.93%	56.72%	*Note 3*
Interest receivable	**131,497,715**	**0.15%**	261,666,696	0.27%	-49.75%	*Note 4*
Available-for-sale financial assets	**3,647,749,276**	**4.06%**	2,331,529,427	2.45%	56.45%	*Note 5*
Other current assets	**3,043,080,773**	**3.39%**	2,240,637,098	2.35%	35.81%	*Note 6*
Intangible assets	**2,389,365,046**	**2.66%**	1,763,800,213	1.85%	35.47%	*Note 7*
Deferred tax assets	**922,887,544**	**1.03%**	690,058,974	0.72%	33.74%	*Note 8*
Other non-current assets	**348,689,549**	**0.39%**	174,840,436	0.18%	99.43%	*Note 9*
Notes payable	**4,288,351,629**	**4.78%**	599,614,882	0.63%	615.18%	*Note 10*
Accounts payable	**4,286,669,816**	**4.78%**	10,348,876,786	10.86%	-58.58%	*Note 10*
Tax payable	**521,988,361**	**0.58%**	1,002,018,191	1.05%	-47.91%	*Note 11*
Non-current liabilities due within one year	**7,498,998,709**	**8.35%**	37,732,896	0.04%	19,773.90%	*Note 12*
Other current liabilities	**2,128,864,670**	**2.37%**	1,051,170,677	1.10%	102.52%	*Note 13*
Long-term borrowings	**347,600,000**	**0.39%**	680,454,179	0.71%	-48.92%	*Note 14*
Estimated liabilities	**165,695,414**	**0.18%**	122,465,354	0.13%	35.30%	*Note 15*
Deferred income	**634,158,495**	**0.71%**	472,977,494	0.50%	34.08%	*Note 16*
Other comprehensive revenue	**-119,607,144**	**-0.13%**	-297,731,000	-0.31%	-59.83%	*Note 17*
Non-controlling interests	**1,927,102,062**	**2.15%**	1,292,390,425	1.36%	49.11%	*Note 18*
Bonds payable	**0**	0	6,246,297,174	6.55%	-100%	*Note 19*

Other explanations

Note 1: At the end of the reporting period, the financial assets at fair value through profit or loss of the Group amounted to RMB771,950,000, representing an increase of RMB372,900,000 (or 93.45%) as compared to the corresponding period last year, mainly due to new money fund investment of the group in the year and a large number of sales contracts irrevocable.

Note 2: At the end of the reporting period, the notes receivable of the Group amounted to RMB3,172,900,000 representing a decrease of RMB3,766,110,000 (or -54.27%) as compared to the corresponding period last year, mainly due to decrease in operating revenue in the year.

Note 3: At the end of the reporting period, the factoring business receivables of the Group amounted to RMB1,386,700,000, representing an increase of RMB501,860,000 (or 56.72%) as compared to the corresponding period last year, mainly due to many new receivable factoring items.

Note 4: At the end of the reporting period, the interest receivable of the Group amounted to RMB131,500,000, representing a decrease of RMB130,170,000 (or -49.75%) as compared to the corresponding period last year, mainly due to decrease in the deposit interest rate in the year.

Note 5: At the end of the reporting period, the available-for-sale financial assets of the Group amounted to RMB3,647,750,000, representing an increase of RMB1,316,220,000 (or 56.45%) as compared to the corresponding period last year, mainly due to new available-for-sale equity instrument and assets management plan of the group in the year.

Note 6: At the end of the reporting period, the other current assets of the Group amounted to RMB3,043,080,000, representing an increase of RMB802,440,000 (or 35.81%) as compared to the corresponding period last year, mainly due to increase in input tax to be deducted in the year.

Note 7: At the end of the reporting period, the intangible assets of the Group amounted to RMB2,389,370,000, representing an increase of RMB625,560,000 (or 35.47%) as compared to the corresponding period last year, mainly due to new land use right and exploration cost in the year.

Note 8: At the end of the reporting period, the deferred tax assets of the Group amounted to RMB922,890,000, representing an increase of RMB232,830,000 (or 33.74%) as compared to the corresponding period last year, mainly due to increase in provision for impairment of assets.

Note 9: At the end of the reporting period, the other non-current assets of the Group amounted to RMB348,690,000, representing an increase of RMB173,850,000 (or 99.43%) as compared to the corresponding period last year, mainly due to increase in prepaid project equipment fund in the year.

Note 10: At the end of the reporting period, the payables of the Group amounted to RMB8,575,020,000, representing a decrease of RMB2,373,470,000 (or -21.68%) as compared to the corresponding period last year, mainly due to the purchase reduction of the trading company

Note 11: At the end of the reporting period, the tax payable of the Group amounted to RMB521,990,000, representing a decrease of RMB480,030,000 (or -47.91%) as compared to the corresponding period last year, mainly due to amount of taxable income decreased as a result of falling profits of this year.

Note 12: At the end of the reporting period, the non-current liabilities due within one year of the Group amounted to RMB7,499,000,000, representing an increase of RMB7,461,270,000 (or 19,743.9%) as compared to the corresponding period last year, mainly due to 08 Jiangxi Copper Bonds shall be due in September, 2016, and the Group will transfer them from the item of bonds payables into the item of non-current liabilities due within one year.

Note 13: At the end of the reporting period, the other current liabilities of the Group amounted to RMB2,128,860,000, representing an increase of RMB1,077,690,000 (or 102.52%) as compared to the corresponding period last year, mainly due to the increase of deposits made.

Note 14: At the end of the reporting period, the long-term borrowings of the Group amounted to RMB347,600,000, representing a decrease of RMB332,850,000 (or -48.92%) as compared to the corresponding period last year, mainly due to part of loans were transferred into liabilities due within one year.

Note 15: At the end of the reporting period, the estimated liabilities of the Group amounted to RMB165,700,000, representing an increase of RMB43,230,000 (or 35.3%) as compared to the corresponding period last year, mainly due to the increased cost of environmental governance.

Note 16: At the end of the reporting period, the deferred income of the Group amounted to RMB634,160,000, representing an increase of RMB161,180,000 (or 34.08%) as compared to the corresponding period last year, mainly due to the newly added government grants related to assets.

Note 17: At the end of the reporting period, the other comprehensive revenue of the Group amounted to RMB-119,610,000, representing an increase of RMB178,120,000 (or 59.83%) as compared to the corresponding period last year, mainly due to the income from current cash flow hedge and the changes in balance converted from the foreign currency statements.

Note 18: At the end of the reporting period, the non-controlling interests of the Group amounted to RMB1,927,100,000, representing an increase of RMB634,710,000 (or 49.11%) as compared to the corresponding period last year, mainly due to the changes from the new combined subsidiary, Hedging and the increase of profits and losses of other minority shareholders.

Note 19: At the end of the reporting period, the bonds payable of the Group was RMB0, representing a decrease of RMB6,246,290,000 (or -100%) as compared with the corresponding period last year, mainly due to bonds payable were transferred into liabilities due within one year.

(IV) Analysis of investment

1. General analysis of external investment in equity

Unit: 0'000 Currency: RMB

Investment during the reporting period	10,122
Increase/decrease in investment	-93,079
Investment during the same period last year	103,201
Extent of increase/decrease in investment *(%)*	-90.19%

Name of investee	Principal activity	Share of interests in the investee (%)	Investment amount
JCC BioteQ Environmental Technologies Co., Ltd	Industrial waste water recovery and product sales	50	1,410
Minmetals Jiangxi Copper Mining Investment Company Limited	Investment company	40	158,400
MCC-JCL Aynak Minerals Company Limited (中冶江銅艾娜克礦業有限公司)	Exploration and sale of copper products	25	62,984
Asia Development Sure Spread Company Limited (興亞保弘株式會社)	Import and export of copper products	49	619
Zhaojue Fenye Smelting Company Limited (昭覺縣逢燁濕法冶煉有限公司)	Production and sale of electro deposited copper	47.86	406
BOCI Securities Limited	Security broker and investment advisor	6.31	60,000
Nesko Metal Sanayi ve Ticaret Anonim Sirketi	Exploration and sale of copper products	48	39,335
Hengbang Property Insurance Company Limited	Property insurance	14.82	9,780

(1) Significant equity interest investment

NIL

(2) Significant non-equity interest investment

NIL

(3) *Financial assets measured at fair value*

Item	Opening balance	Closing balance	Change during the period	Impact on the profit for the period
Financial assets at fair value through profit or loss	399,043,432	771,946,511	372,903,079	178,033,139
Financial liabilities at fair value through profit or loss	2,690,662,841	1,969,533,221	-721,129,620	41,960,930
Profit or loss on changes in hedged instruments at fair value	1,832,738,458	2,298,168,028	465,429,570	-147,425,971
Available-for-sale financial assets – current	1,263,000,000	2,812,500,000	1,549,500,000	0
Available-for-sale financial assets – non-current	1,068,529,427	835,249,276	-233,280,151	0
Total	7,253,974,158	8,687,397,036	1,433,422,878	72,568,098

2. Use of proceeds

(1) *Expansion of phase II of Chengmenshan Copper Mine*

The total investment of the project was RMB467.99 million. All of the investment was contributed by proceeds raised through non-public issuance of A shares. During the reporting period, the actual amount invested by raised proceeds in the project was RMB1.3 million. As of the end of the reporting period, the accumulative actual amount invested by raised proceeds in the project recorded RMB464.21 million, accounting for 99.19%of the planned investment amount.

(2) *Technical renovation engineering of enlarging production scale of Dexing Copper Mine*

The total investment of the project was approximately RMB2,580 million. All of the investment was contributed by proceeds raised through exercise of warrants. During the reporting period, the actual amount invested by raised proceeds in the project was to RMB11.84 million. As at the end of the reporting period, the accumulative investment recorded RMB2,171.48 million, accounting for 84.17%of the planned investment amount. Dexing Copper Mine can increase its mining and milling capacity of ores from 100,000 tonnes per day to 130,000 tonnes per day at present, and approximately increase the output of copper concentrates containing 41,000 tonnes of copper, 61kg of gold and 25.3 tonnes of silver, 1,614 tonnes of molybdenum and 87,597 tonnes of sulphur per annum, which will increase the self-sufficiency rate of raw materials of the Group and bode well for investment benefits.

(3) Tender and development of the exploration rights of copper mine in Afghanistan

The Company had joined with China Metallurgical Group Corporation and successfully bid the exploration rights of Aynak Copper Mine in Afghanistan, and invested RMB58.13 million to establish MCC-JCL Aynak Minerals Company Limited (中冶江銅艾娜克礦業有限公司) in which the Company holds 25%equity interest. At present, the preparation work for the development of the copper mine is in progress. As of the end of the reporting period, the accumulative investment in such project by proceeds raised through exercise of warrants amounted to RMB629,850,000. The expected time of commencement in operation will be postponed due to reasons such as relocation of cultural relics.

(4) Acquisition of the equity interests in Northern Peru Copper Corp.

The Company had joined with China Minmetals Non-ferrous Metals Company Limited and invested RMB460 million to establish the Minmetals-JCC Mining Investment Company Limited (五礦江銅礦業投資有限公司). They jointly acquired 100% equity interest in Northern Peru Copper Corp.. At present, the development plan for the mines of this company is under demonstration. As of the end of the reporting period, the accumulated contributions to warrants and raised proceeds of such project amounted to RMB1,300 million. The expected time of commencement in operation will be postponed due to reasons such as environmental valuation and land procurement.

For details, please refer to the Special Report of the Deposit and Actual Use of Proceeds Raised by Jiangxi Copper Company Limited disclosed on the website of SSE and the website of the Company.

(V) Material disposal of assets and equity interests

Not applicable

(VI) Analysis of principal subsidiaries and investees

(1) Production and operation of our main controlling subsidiaries as at 31 December 2015

Unit: '000 Currency: RMB

Company name	Business nature	Registered capital	Shareholding percentage (%)	Total assets	Net assets	Operating revenue	Net profit/ (losses)
Kang Xi Copper Company Limited	Sales of copper materials, precious metal materials and sulphuric acid	286,880	57.14	1,019,343	216,199	1,315,507	-73,706
JCC Finance Company Limited	Provision of guarantee, deposit and loan to members of JCC	1,000,000	85.68	14,271,516	2,418,223	404,828	309,647
Jiangxi Copper Products Company Limited	Processing and sales of copper products	424,500	100	766,988	644,642	3,763,411	71,344
JCC Copper Products Company Limited	Processing and sales of hardware products	186,391	98.89	639,630	298,443	1,524,513	12,391
JCC Renewable Resources Company Limited	Purchase and sales of scrap metals	6,800	99.51	11,702	10,107	113,793	88
Jiangxi Copper Shenzhen Trading Company Limited	Sale of copper products	660,000	100	10,323,232	103,217	39,640,930	-393,678
Jiangxi Copper Shanghai Trading Company Limited	Sale of copper products	200,000	100	5,292,881	58,095	12,380,885	-83,167
Jiangxi Copper Beijing Trading Company Limited	Sale of copper products	261,000	100	667,846	-72,528	115,786	-157,251
JCC Yinshan Mining Company Limited	Production and sales of non-ferrous metals, precious metal and non-metals	30,000	100	1,459,336	665,058	393,458	-82,120
JCC Dongtong Mining Company Limited	Production and sales of non-ferrous metals,precious metal and non-metals	46,209	100	401,336	68,846	87,390	-52,768
Jiangxi Copper Yates Copper Foil Company Limited	Production and sales of copper foil products	453,600	89.77	1,032,402	-81,146	666,848	-64,399

Company name	Business nature	Registered capital	Shareholding percentage (%)	Total assets	Net assets	Operating revenue	Net profit/ (losses)
Jiangxi Copper (Longchang) Precise Pipe Company Limited	Production and manufacture of screwed conduit, externally finned copper pipe and other copper pipes	890,529	92.04	1,676,710	548,173	1,975,807	-44,606
Jiangxi Copper Taiyi Special Electrical Materials Company Limited	Design, production and sales of all kinds of copper wires and enamelled wires, provision of aftersale maintenance and consultancy service	USD16,800	70	470,266	72,494	499,550	-5,760
Thermoelectric Electronic (Jiangxi) Company Limited	Research and development and production of thermoelectric semiconductors and appliances and provision of related services	70,000	95	67,956	61,878	15,653	-3,585
JCC (Guixi) Metallurgical and Chemical Engineering Company Limited	Metallurgy and chemical, manufacture and maintenance of equipments	35,081	100	168,026	53,561	442,143	8,159
JCC (Guixi) Metallurgical and Chemical Engineering New Technology Company Limited	Metallurgy and chemical, manufacture and maintenance of equipments and new products development	2,000	100	37,162	30,916	32,316	5,365
JCC (Guixi) Logistics Company Limited	Provision of transportation services	40,000	100	173,860	132,777	214,212	5,186
JCC (Dexing) Alloy Materials Manufacturing Company Limited	Production and sales of casting products, maintenance of mechanical and electrical equipment, installation and debugging of equipments	66,380	100	212,092	141,191	298,937	1,304
JCC (Dexing) Construction Company Limited	Development and sales of building materials for various projects	50,000	100	253,367	112,819	406,113	7,055
JCC Exploration Company Limited	Geographical investigation and survey and construction, engineering measurement	15,000	100	72,257	32,509	89,559	1,854

Company name	Business nature	Registered capital	Shareholding percentage (%)	Total assets	Net assets	Operating revenue	Net profit/ (losses)
Jiangxi Jiangtong-Wengfu Chemical Industry Company Limited	Sulphuric acid and related by-products	181,500	70	235,937	214,419	133,390	1,134
JCC Jingxiang Engineering Company Limited	Contracting for mining project	20,296	100	98,742	27,210	115,267	585
JCC (Ruichang) Foundry Company Limited	Production, manufacturing and sale of cast iron balls, mechanical process and wearing-resisting products	2,602	100	12,920	5,180	35,764	100
JCC Qianshan Copper Concentration Pharmaceuticals Company Limited	Sales of beneficiation and fine chemical products and other industrial and civilian products	10,200	100	30,195	24,046	31,938	1,252
Jiangxi Copper Chengdu Trading Company Limited	Sales of copper products	60,000	100	145,416	14,657	1,188,769	-29,734
JCC Construction Supervision Company Limited	Engineering	3,000	100	15,186	12,070	10,089	5,240
JCC Guangzhou Copper Products Company Limited	Production of copper rods/ wires and relevant products	800,000	100	2,242,343	877,128	10,490,986	19,187
JCC International Trading Company Limited	Trading of metal products	1,000,000	60	7,218,311	975,278	58,501,519	-11,548
Shanghai Jiangtong Investment Holdings Ltd. (上海江銅投資控股有限公司)	Construction industry	169,842	100	388,432	155,420	234,110	-2,126
Jiangxi Copper Corporation (Dexing) Chemical Company Limited	Sulphuric acid and related by-products	336,550	100	645,303	451,044	196,244	13,940
JCC (Yugan) Alloy Materials Manufacturing Company Limited	Production and sales of cast iron grinding ball, machinery processing and manufacture and sales of wear resistant materials and products	28,000	100	46,365	37,250	44,201	4,305
Jiangxi Copper (Qingyuan) Co., Ltd	Manufacturing, processing and sale of anode sheets of copper cathode and non-ferrous metals	890,000	100	1,489,761	468,009	4,939,247	-145,651

Company name	Business nature	Registered capital	Shareholding percentage (%)	Total assets	Net assets	Operating revenue	Net profit/ (losses)
Jiangxi Copper Hong Kong Company Limited	Import-export business trade and settlement, offshore investment and financing and cross-border RMB settlement	USD3,000	100	4,398,250	292,674	9,193,425	-3,170
Jiangxi Copper Renewable Resources Company Limited (江西銅業再生資源有限公司)	Metal scrap and waste metal	250,000	100	273,616	234,140	564,445	-982
Xiang Ge Lila Bisi Daji Mining Company Limited (香格里拉縣必司大吉礦業有限公司)	Mining and processing of non-ferrous metals	5,000	51	80,678	-4,739	0	-2,840
Jiangxi Copper International (Istanbul) Mining Investment Co., Ltd. (江銅國際（伊斯坦布爾）礦業投資股份公司)	Import and export trading of copper products	USD62,400	100	315,762	308,630	0	-41,411
Jiangxi Copper Technical Institution Co., Ltd. (江西銅業技術研究院有限公司)	Technical research, etc.	45,000	100	47,096	44,751	3,015	-33
Zhejiang Jiangtong Fuye Heding Copper Co., Ltd ("Heding Copper")	Production and sale of copper cathode	900,000	40	3,389,336	975,792	1,368,744	33,350
Jiangxi Copper Northwest (Tianjin) Copper Co., Ltd. (江銅華北（天津）銅業有限公司)	Production of copper rod and wire and the relevant products	510,204	51	730,273	515,476	5,086,721	5,830

(2) Production and operation of our associates and joint ventures as at 31 December 2015

Unit: '000 Currency: RMB

Name of investee	Business nature	Registered capital		Our shareholding	Total assets at the end of the year	Total liabilities at the end of the year	Net assets in aggregate at the end of the year	Total operating revenue for the year	Net profits for the year
		Currency	*'000*	*(%)*	*('000)*	*('000)*	*('000)*	*('000)*	*('000)*
I. Joint Venture									
Jiangxi JCC-BIOTEQ Environmental Technologies Company Limited ("Jiangtong Bioteq")	Industrial waste water recovery and product sales	RMB	28,200	50	51,158	11,493	39,665	42,815	4,021
Nesko Metal Sanayi ve Ticaret Anonim Sirketi	Exploration and sale of copper products	YTL	4,520,000	48	320,986	59,206	261,780	-52,773	41,287
II. Associates									
Minmetals Jiangxi Copper Mining Investment Company Limited (五礦江銅礦業投資有限公司) ("Jiangxi Copper Minmetals")	Investment company	RMB	3,250,000	40	4,312,040	1,723,470	2,588,570		-208,997
MCC-JCL Aynak Minerals Company Limited (中冶江銅艾娜克礦業有限公司) ("MCC- JCL")	Exploration and sale of copper products	US$	363,648	25	2,564,063	17,216	2,546,847		
Asia Development Sure Spread Company Limited (興亞保弘株式會社) ("Asia Sure Spread")	Import and export of copper products	JPY	200,000	49	11,872	0	11,872		
Zhaojue Fengye Smelting Company Limited (昭覺縣逢燁濕法冶煉有限公司) ("Zhaojue Fengye")	Production and sale of electro deposited copper	RMB	10,000	47.86	8,066	1,209	6,857	0	0
BOCI Securities Limited ("BOCI")	Security broker and investment advisor	RMB	1,979,167	6.31	35,618,045	27,631,672	7,986,374	4,949,192	2,099,036
Hengbang Property Insurance Company Limited	Property insurance	RMB	660,000	14.82	805,622	218,018	587,604	98,815	-76,990

II. Discussion and analysis by the Board concerning the future development of the Company

(I) Competition within the industry and the trend of development

In the past decade, emerging economies, especially the urbanization and industrialization of China have promoted the rapid growth of global copper consumption, while the overflow of mobility of global quantitative easing and expectation of market inflation, as well as the rise in the costs of copper mining, smelting and labour, making the copper price rises overally in a fluctuation manner. The continuously high copper price has stimulated the new construction, renovation and expansion of global copper mines since 2006, leading to the surplus of global supply of copper concentrate since 2013; as new capacity accelerated to be released in the recent years, the surplus of copper concentrate will be intensified further. While in the other aspect, affected by the adequate supply of copper, the process cost of copper smelting is in increase, the operation situations of smelting enterprises are being improved, but the weak demand, structural surplus, and severe competition under the impact of macroeconomic will be the "new normal" of the non-ferrous metal industry, and the future of the Company's development process will be full of challenges. It is expected that the continuous slump in the industry will accelerate merger and reorganisation between enterprises and the "going out" pace of China's advanced domestic companies will further speed up.

In 2016, both the domestic and international economic situations will be more complex and rough, and the downward economic pressure is increasing. The national strategies of "The Thirteenth Five-Year Plan", "The Belt and Road", Beijing-Tianjin-Hebei Integration, the Construction of the Yangtze River Economic Belt, and the launch of a series of measures for steady growth will expanse a new development space for the non-ferrous metal industry, create new power for development, but the global economy will remain weak, and the demand on the non-ferrous metal product market is difficult to see significant increase. And on the supply aspect, the International Copper Study Group (ICSG) estimated that the global copper production would reach to 24.2 million tons in 2016, with a YoY growth of 6.31%, which will be the highest increase in 5 years, among which, the copper concentrate production capacity will increase 1.1 million tons, amounting to 19 million tons. Weaker consumption and stronger supply are bound to suppress the copper price. It is estimated in 2016 the non-ferrous metal prices will fluctuate slightly, the increase of production capacity of domestic non-ferrous metal products and the growth in fixed asset investment etc. will slow down further, and the industry still face with large uncertainties. The steady growth, structure adjustment, acceleration of supply reform, production capacity reduction, deleverage, make-up of disadvantages, acceleration of industry transition and upgrading, decrease in cost and increase in efficiency will be the focuses of the non-ferrous metal industry in 2016.

(II) The development strategy of the Company

Adhering to the strategy of "to develop mines, to consolidate smelting,to improve refining and to diversify into related sectors", targeting at strategic objectives and being guided by the global and international standard for resources and operation, the Company will continue to carry out a comprehensive reform, remove the "roadblocks" to development, increase operation and management level and strengthen inventory assets in terms of internal measures. For external measures,it will reinforce investment development mainly by M&A and partly by new establishments, continue to expand its scale, adjust its structure, optimize its layout and enrich its assets. Through the said internal and external measures, the Company will make breakthroughs in development and turn a new page for the Company's development.

(III) Business plan

The Group has completed or outperformed the series of production plans prepared in early 2015.

In 2016, the Company's main production and operation plan is: Cathode copper of 1.175 million tons, gold of 25 tons, silver of 530 tons, sulphur acid of 3.43 million tons, copper contained in copper concentrate of 207,000 tons, and copper rod, wire and other copper processing products of 1 million tons. The Group will timely adjust the plan based on the changes in market conditions.

To realize the above plan, in 2016, the Group will primarily exert efforts in the following aspects:

1. Promote the merger and reconstructing and speed up to realize the transnational business. Actively integrate into the national resource strategy and "The Belt and Road", and accelerate the pace of "going out", enhance the international level. Establish a marketization and internationalization management system and strive to building an international talent team, seize the change of industry cycle to make counter cyclical investment and low cost expansion; strengthen the cooperation with international mining company, implement mergers, acquisitions and development of overseas resources and cooperation of production capacity.

2. Promote the industrial convergence development, and promote the transformation and upgrading of the Company. Actively integrate "Internet+", intelligent manufacturing, and advance development to middle and high end of the industry, speed up the transition to modern manufacturing enterprise. Stick to benefit as guide to push the industry chain to extend at both ends, with equity as link, gradually establish an industry pattern cross-cycle and cross-industry development, and realize the transformation to a comprehensive mining company. Continue to research and extend the new operation models such as "mining + finance", "mining + trade", improve the management ability of supply chain of Jiangxi Copper, realizing the transformation to the internationalization of large companies complete with supply chain management.

3. Specify new business innovation and improve the profitability. Strengthen the comprehensive budget management, deeply explore the cost space. Standardize the business and innovation, strengthen market management, take the initiative to adapt to market changes, and take a number of powerful measures to create a better efficiency in various areas and each link of the Company.

4. Comprehensively deepen reform, and release dividends to boost development. Further perfect the corporate governance structure, strengthen the position of main market competitors. Through exploration reforms such as organisation architecture, operation mechanism, operation mode, on the basis of the existing business, further optimize the company management architecture, and improve management efficiency rate.

5. Speed up the innovation-driven development, strengthen the industry leading advantages. By implementing innovation drive, unceasingly borrow the advanced experience of domestic and foreign scientific research innovation, deepen reform of scientific research innovation system, improve the independent innovation ability, prompt the transition from company of technology applied to the technology invented enterprises. Actively develop the recycle of iron tailings of Dexing copper mine, comprehensive utilize the technology research of high magnesium copper concentrate, research of new technology of micro fine grained copper molybdenum separation, optimize research of black copper mud treatment process, and study on replacement of filling medium of vertical grinding machine.

6. Grasp the green development principle, build a harmonious ecological Jiangxi Copper. Adapt to the new state of strict state environmental protection and heavy task of energy conservation and emissions reduction, adhere to the green development. Through technology, equipment upgrading, to reduce pollutants discharge, consolidate the accomplishment of construction of “green mine” and “factory of beautiful environment”, continue to improve the company environmental protection level. Forcefully develop circular economy, strengthen the energy conservation and emission reduction and comprehensive use of resources, by increasing investment and technology innovation, improve the comprehensive recycling rate and level of low grade ore resources, resources difficult to explore and select as well as valuable associated resources and tailings resources.

(IV) Potential risks

1. The risk of downward prices of copper

In 2016, the Group planned to produce 209,000 tonnes of copper contained in copper concentrate in total. For every decrease of RMB1,000 in the copper prices, the profits from the self-produced mines of the Company will be decreased by RMB200 million (before tax) and the equivalent EPS before tax will decrease by approximately RMB0.06 per share.

The Company has been pursuing a positive and prudent hedging policy for years. With an aim to delivering the operating target, the Company provided hedging for the self-produced raw materials according to the prices range, and outsourced raw materials with an aim to locking the processing fee, so as to shelter from the risk generated from fluctuations in the copper prices.

2. Risk from economic structure transformation

In 2016, the Chinese economy is still under structural adjustment and economic benefit of traditional manufacturing industry is further differentiated, resulting apparent differences of solvency of downstream enterprises and further increase in credit risks of enterprises.

3. Risks from increase of smelting capacity

In the next few years, as the release of production capacity of globally established new mines, the supply of copper concentrate will remain plentiful, and high smelting processing charge will attract more investments to transfer to the smelting industry, and fierce competition will curb the melting industry's healthy development; and meanwhile, the global macro economy slowdown will lead to slow copper consumption growth, and the risk of copper smelting industry will increase further.

III. The Board's explanation for "non-standard auditing report" given by the auditors

(1) The Board and the Board of Supervisors' Explanation for "Non-standard Auditing Report" Given by the Auditors

Not applicable

(2) Analysis and Explanation of the Board on the Reasons and Impact of the Change in Accounting Policy, Accounting Estimation or Verification Method

Not applicable

(3) Analysis on and Explanation of the Board on the Reasons and Impact of the Correction to Material Errors for Last Period

Not applicable

I. Principal business

The principal business of the Company covers copper mining and dressing, smelting and processing, extraction and processing of the precious metal and scattered metal, sulphuric chemistry as well as finance and trade fields. It has established the complete industrial chain integrated with exploration, mining, ore dressing, smelting and processing in copper and related nonferrous metal fields. It is the important production base of copper, gold, silver and sulphuric chemistry. The main products of the Company include more than 50 varieties, such as copper cathodes, gold, silver, sulphuric acid, copper rod, copper tube,copper foil, selenium, tellurium, rhenium, bismuth, etc.

II. Statement of changes in share capital

(I) Table of changes in ordinary shares

During the reporting period, the total number and capital structure of ordinary shares of the Company did not change.

(II) Information on Changes in Lock-up Shares

During the reporting period, there is no change in Shares subject to trading moratorium of the Company.

III. Issue and listing of securities

(I) Issue of securities as at the reporting period

During the reporting period, the Company did not issue any securities.

(II) The total number of ordinary shares, changes in the shareholding structure and changes in assets and liabilities structure of the Company

During the reporting period, the Company did not have relevant changes.

(III) Existing staff shares

The Company had no staff shares as at the end of the reporting period.

IV. Business overview

(I) Business summary and analysis

Business and result analysis combining financial key performance indicators of the Group are set out in Summary of Accounting and Financial Indicators on Page 6 to Page 13, Summary of Corporate Business on Page 14 to Page 15 and the Management Discussion and Analysis on Page 16 to Page 42 of this report.

(II) Environmental policies and performance

During the reporting period, the Company seriously implemented the view of scientific development, stringently carried out national environmental policies and laws and regulations, and strengthened capital contribution to integrated usage of resources, water conservation and emission reduction, environmental maintenance, rehabilitation and reforestation, improving environmental quality in the surroundings. During the reporting period, the Company insisted "integrated maintenance and an ounce of prevention", and carried out prevention and maintenance in three aspects, namely "reduction, bio-safety and recycling".

During the reporting period, the amount of sewage treatment of the Company represented a year-on-year increase of approximately 24%. Reuse rate of industrial water increased from 92.08% in last year to 94.29%. Emission of COD was 375.82 tons lower than the control targets imposed by the government. Emission of sulphur dioxide was 2,184.87 tons lower than the control targets imposed by the government.

The Company continued to enhance ecological rehabilitation and reforestation. Area of uncovered surface was reduced through construction of green mines. Drain ditch was repaired and constructed to directly discharge clean water for substantial reduction of sewage production, turning passive treatment of pollution to active reduction of pollution. Currently, the area of ecological rehabilitation of mining enterprises of the Company reached 430 acres. More than 80% of abandoned land which could be rehabilitated was carried out ecological rehabilitation. Vacant lot from smelting enterprises basically realized 100% of greening. Due to remarkable results of ecological rehabilitation, Dexing Copper Mine became the first "National level green mine" in the country through passing joint testing and checking for various department including China Mining Association (中國礦業聯合會) and Green Mine Enhancement Work Association of China Joint Mining Association (中國礦聯綠色礦山促進工作會), where Yinshan Mining was stated as the creation and construction of pilot mines of "green mines" by the Minister of Land and Resources.

The Company has long carried out integrated usage of resources for acid production and slag burning, smelting of slag and mine tailings, and recycled various valuable metals including gold, silver, copper, iron, selenium, tellurium, rhenium, bismuth, antimony, molybdenum. In 2015, the Company recycled 29,915.2 tons of copper, 15.3 tons of gold, 537.5 tons of silver and 2,010 tons of arsenic trioxide, recycled 430 thousand tons of iron ore concentrate from acid production and slag burning, and recycled 1,686 tons of copper sulphide with copper to realize "recycling" of pollutants.

(III) Compliance with relevant laws and regulations

The Group understands the importance of compliance with the requirements of regulations. The risks of not complying with relevant requirements may lead to material adverse effects. During the reporting period, the Company would strictly comply with relevant laws and regulations in various countries and regions as before, and update various terms in a timely manner. Legal services department of the Company will regularly organize and arrange internal study to ensure that the Company is in compliance with laws and regulations in ordinary operations. If potential legal risks are found, the legal services department of the Company will cooperate with risk control department and carry out rectification in a timely manner.

Saved as disclosed in this report, the Group is also in compliance with relevant requirements of the Company Ordinance, Listing Rules of the Stock Exchanges and Securities and Futures Ordinance in Hong Kong and the PRC.

(IV) Significant relationship with stakeholders

Trust and support from stakeholders are closely related to the growth and success of the Company. Our stakeholders include employees, suppliers and customers:

(1) Employees

The Company adheres to implement "talent strategies" to provide employees with sound and safe working environment, and constantly optimize remuneration and benefit system. Over the years, management teams and employees of the Company are stable.

(2) Suppliers

Over years of development, business scope of the Company ranged from the country to overseas. The Company maintained long-term and closely cooperative relationship with suppliers in various countries. During the reporting period, relationship between the Company and major suppliers was good and stable.

(3) Customers

The Company always regards satisfaction of customers as the first place, deems quality of products to be the backbone of the enterprise, and uphold the enterprise's value and idea of "joint creation and sharing". During the reporting period, relationship between the Company and major customers was good and stable.

(V) Major risks and uncertainties

Description of the potential risks which may be encountered by the Group is set out in the Management Discussion and Analysis on page 41 to 42 in this report.

(VI) Significant matters after the reporting period

During the reporting period, there were no significant matters which had impact on the Company.

(VII) Future development

Future development of the business of the Group is set out in the Summary of Corporate Business on page 39 to 41 in this report.

V. PARTICULARS OF SHAREHOLDERS AND ULTIMATE CONTROLLER

(I) Number of shareholders

Total number of common shareholders as at the end of the reporting period	123,909
Total number of common shareholders at the end of previous month before disclosure of this annual report	125,913

(II) Shareholdings of the top ten shareholders

Unit: Share

Name of shareholder (Full name)	Increase/ decrease during the reporting period	Number of shares held at the end of the Period	Shareholding percentage (%)	Number of shares subject to trading moratorium held	Pledged or frozen Status of the Shares	Pledged or frozen Number	Type of shareholder
Jiangxi Copper Corporation	3,070,000	1,403,614,110	40.53%	0	Nil	0	State-owned legal person
HKSCC Nominees Limited	0	1,180,230,495	34.08%	0	Unknown	Unknown	Unknown
China Securities Finance Corporation Limited	-18,656,000	84,882,208	2.45%	0	Unknown	Unknown	Unknown
Central Huijin Investment Company Limited	0	31,843,800	0.92%	0	Unknown	Unknown	Unknown
National Social Security Fund No. 103 Portfolio	11,999,775	11,999,775	0.35%	0	Unknown	Unknown	Unknown
Agricultural Bank of China Ltd. – Fullgoal CSI the Reform of State-owned Enterprises Index Classification Securities Investment Fund	10,489,863	10,489,863	0.30%	0	Unknown	Unknown	Unknown
Bank of China Limited – HuaAn New Silk Road Theme Equity Securities Investment Fund	0	10,110,000	0.29%	0	Unknown	Unknown	Unknown
Bosera Funds – Agricultural Bank – Bosera China Securities and Financial Assets Management Program	0	8,480,000	0.24%	0	Unknown	Unknown	Unknown
Da Cheng Fund – Agricultural Bank – Da Cheng China Securities and Financial Assets Management Program	0	8,480,000	0.24%	0	Unknown	Unknown	Unknown
ICBC Credit Suisse Fund – Agricultural Bank – ICBC Credit Suisse China Securities and Financial Assets Management Program	0	8,480,000	0.24%	0	Unknown	Unknown	Unknown

(III) The shareholding of top ten holders of shares not subject to trading moratorium

Name of Shareholder	Number of shares held not subject to trading moratorium	Class and number of shares: Class	Number
Jiangxi Copper Corporation	1,403,614,110	Ordinary shares denominated in RMB (A Shares)	1,205,479,110
		Overseas listed foreign shares (H Shares)	198,135,000
HKSCC Nominees Limited	1,180,230,495	Overseas listed foreign shares (H Shares)	1,180,230,495
China Securities Finance Corporation limited	84,882,208	Ordinary shares denominated in RMB (A Shares)	84,882,208
Central Huijin Investment Company Limited	31,843,800	Ordinary shares denominated in RMB (A Shares)	31,843,800
National Social Security Fund No. 103 Portfolio	11,999,775	Ordinary shares denominated in RMB (A Shares)	11,999,775
Agricultural Bank of China Ltd. – Fullgoal CSI the Reform of State-owned Enterprises Index Classification Securities Investment Fund	10,489,863	Ordinary shares denominated in RMB (A Shares)	10,489,863
Bank of China Limited – HuaAn New Silk Road Theme Equity Securities Investment Fund	10,110,000	Ordinary shares denominated in RMB (A Shares)	10,110,000
Bosera Funds – Agricultural Bank – Bosera China Securities and Financial Assets Management Program	8,480,000	Ordinary shares denominated in RMB (A Shares)	8,480,000
Da Cheng Fund – Agricultural Bank – Da Cheng China Securities and Financial Assets Management Program	8,480,000	Ordinary shares denominated in RMB (A Shares)	8,480,000
ICBC Credit Suisse Fund – Agricultural Bank – ICBC Credit Suisse China Securities and Financial Assets Management Program	8,480,000	Ordinary shares denominated in RMB (A Shares)	8,480,000

The explanation of the connected relationship or parties acting in concert among the aforesaid shareholders	(1) JCC, the controlling shareholder of the Company, and the other holders of shares not subject to trading moratorium are neither connected persons nor parties acting in concert as defined in "Management Method of the Information Disclosure in relation to the Changes in Shareholdings of Shareholders of Listed Companies" issued by CSRC; (2) The Company is not aware of any connected relationship among the holders of shares not subject to trading moratorium, nor aware of any parties acting in concert as defined in "Management Method of the Information Disclosure in relation to the Changes in Shareholdings of Shareholders of Listed Companies" issued by CSRC.

Notes: (1) HKSCC Nominees Limited ("HKSCC") held a total of 1,180,230,495 H Shares of the Company in the capacity of nominee on behalf of a number of customers, representing approximately 34.08% of the total issued share capital of the Company. HKSCC is a member of Central Clearing and Settlement System, providing registration and custodial services for customers.

(2) The 198,135,000 H Shares held by JCC have been registered with HKSCC and were separately listed from the other shares held by HKSCC when disclosed in this report. Taking into account the H shares held by JCC, HKSCC held 1,378,365,495 shares as nominee, representing approximately 39.81% of the issued share capital of the Company.

(3) The register of members of the Company as at the end of the reporting period showed that: JCC held 1,205,479,110 A shares and 198,135,000 H shares of the Company, a total of 1,403,614,110 shares, representing 40.53% of issued share capital of the Company. The securities loans applied by JCC for A shares in the previous period were repaid in full, and the number of shares held by JCC disclosed herein is number of the shares actually held by the Company currently.

(IV) Changes of shareholding of the top ten shareholders involved in financing, securities lending and refinancing businesses

Unit: Share

Names of shareholders	Number of shares held at the beginning of the reporting period	Percentage of shareholding (%)	Number of shares held at the end of the reporting period	Percentage of shareholding (%)	Increase/ decrease in the reporting period	Number of shares pledged or frozen
Jiangxi Copper Corporation	1,400,544,110	40.45	1,403,614,110	40.53	3,070,000	0

(V) Interests and Short Positions of Shareholders

As at 31 December 2014, the interests or short positions of the shareholders, other than Directors, Supervisors and chief executive of the Company, in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the Securities and Futures Ordinance ("SFO") were as follows:

Name of shareholder	Class of shares	Capacity	Number of shares *(Note 1)*	Approximate percentage of the number of the relevant class of shares (%)	Approximate percentage of total issued share capital (%)
JCC	Domestic shares	Beneficial owner	1,205,479,110(L)	58.09(L)	34.81(L)
JCC *(note 2)*	H shares	Beneficial owner	198,135,000(L)	14.28(L)	5.72(L)

Note 1: "L"means long positions in the shares.

Note 2: 198,135,000 H shares held by JCC were registered with HKSCC.

Save as disclosed above, the register required to be kept under Section 336 of SFO showed that the Company had not been notified of any interests or short positions in the shares and underlying shares of the Company as at 31 December 2015.

VI. Particulars of Controlling Shareholder and De Facto Controller

(I) Particulars of Controlling Shareholder

Currency: RMB

Name	Jiangxi Copper Corporation
Person in charge or legal representative	Li Baomin
Establishment date	1 July 1979
Organisation code	15826406-5
Registered capital	2,656,150,000
Principal operations	Non-ferrous ores, non-metallic ores and products of non-ferrous metal refining and processing
Operating results and financial position	As at 31 December 2015, JCC's (unaudited) operating revenue was RMB198.304 billion. Total profit was RMB846 million. Assets were RMB111.657 billion.
Cash flow and future development strategy	To lead the development of copper industry in China to become the most competitive mining enterprise around the globe and ranking among the top five mining companies in the world.
Equity interests in other domestic and overseas listed companies controlled and held by the Company during the reporting period	Jiangxi Copper Group Qibaoshan Mining Co., Ltd., a controlling subsidiary of the parent, owned 555,000 A shares or 0.1% of the total share capital of ST Zhuye (ST株冶) (SH600061).

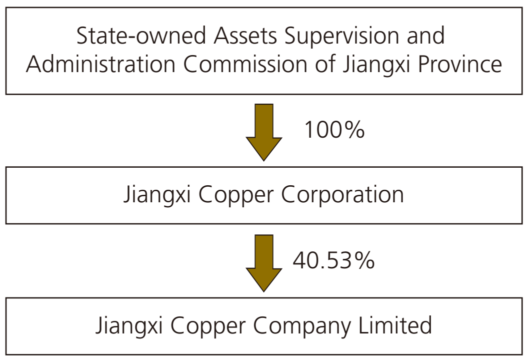
(II) Particulars of the ultimate controller

Name	State-owned Assets Supervision and Administration Commission of Jiangxi Province
Person in charge or legal representative	Chen Deqin

(1) Changes in Controlling Shareholder and the De Facto Controller

There was no change in controlling shareholder and the ultimate controller of the Company during the reporting period.

(2) Chart of the Equity and Controlling Relationship between the Company and its de factor controller



VII. Other legal person shareholders with over 10% shareholding

Saved as disclosed in this report, as at the end of the reporting period, the Company had no other legal person shareholders with over 10% of shareholding of the Company.

VIII. Public float

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this report, there is sufficient public float of more than 25% of the Company's issued shares as required under the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

IX. Purchase, sale or redemption of the Company's listed securities

During the reporting period, the Company has not redeemed any of its listed securities. Neither the Company nor any of its subsidiaries had purchased or sold any of the Company's listed securities during the reporting period.

X. Pre-emptive Rights

There is no provision for pre-emptive rights under the Company's Articles of Association and the PRC law which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

Particulars of directors, supervisors, senior management and staff

I. Changes in Shareholdings and Remunerations

(1) Changes in Shareholdings of Existing Directors, Supervisors and Senior Management and those who resigned during the reporting period

Unit: Share

Name	Position *(Note)*	Gender	Age	Commencement date of term of office	Termination date of term of office	Shares held at the beginning of the year	Shares held at the end of the year	Increase/ decrease of shares during the year	Reason for increase/ decrease	Total remuneration before tax payable by the Company during the reporting period *(RMB0'000)*	Whether get remuneration from elated parties of the Company
Li Baomin	Chairman/Executive Director	Male	58	4 March 2013		0	0	/	/	63.96	No
Long Ziping	Vice Chairman/Executive Director	Male	55	14 June 2013		0	0	/	/	63.96	No
Gan Chengjiu	Executive Director/Chief financial officer	Male	53	26 June 2009		0	0	/	/	63.96	No
Liu Fangyun	Executive Director	Male	50	14 June 2013		0	0	/	/	63.96	No
Shi Jialiang	Executive Director	Male	69	26 June 2009		0	0	/	/	5	No
Gao Jianmin	Executive Director	Male	56	24 January 1997		0	0	/	/	20	No
Liang Qing	Executive Director	Male	62	12 June 2002		0	0	/	/	20	No
Qiu Guanzhou	Independent Non-executive Director	Male	67	11 June 2014						10	No
Zhang Weidong	Independent Non-executive Director	Male	53	19 June, 2014		0	0	/	/	10	No
Deng Hui	Independent Non-executive Director	Male	44	19 June 2012		0	0	/	/	0	No
Tu Shutian	Independent Non-executive Director	Male	54	January 2015						10	No
Gao Dezhu	Independent Non-executive Director	Male	75	26 June 2009	12 January 2015	0	0	/	/	0	No
Hu Qingwen	Chairman of the Board of Supervisors	Male	52	14 June 2013		0	0	/	/	45.92	No
Wu Jinxing	Supervisor	Male	53	26 June 2009		0	0	/	/	45.92	No
Lin Jinliang	Supervisor	Male	51	26 June 2009		0	0	/	/	45.92	No
Xie Ming	Supervisor	Male	59	26 June 2009		0	0	/	/	45.92	No
Wan Sujuan	Supervisor	Female	62	26 June 2009		0	0	/	/	5	No
Dong Jiahui	Deputy General Manager	Male	53	31 March 2009		0	0	/	/	48.92	No
Jiang Chunlin	Deputy General Manager	Male	47	25 August 2010		0	0	/	/	48.92	No
Wu Jimeng	Deputy General Manager	Male	57	22 February 2016		0	0	/	/	40.77	No
Fan Xiaoxiong	Chief Engineer	Male	53	27 October 2010	3 August 2015	0	0	/	/	20.39	No
Wu Yuneng	Deputy General Manager	Male	53	25 March 2011		0	0	/	/	48.92	No

Name	Position	Gender	Age	Commencement date of term of office	Termination date of term of office	Shares held at the beginning of the year	Shares held at the end of the year	Increase/ decrease of shares during the year	Reason for increase/ decrease	Total remuneration before tax payable by the Company during the reporting period	Whether get remuneration from elated parties of the Company
	(Note)									*(RMB0'000)*	
Huang Mingjin	Deputy General Manager	Male	54	3 October 2012		0	0	/	/	48.92	No
Liu Jianghao	Deputy General Manager	Male	54	28 August 2013		0	0	/	/	48.92	No
Huang Dongfeng	Secretary to the Board	Male	57	28 August 2013		0	0	/	/	48.92	No
Tung Tat Chiu, Michael	Secretary to the Board	Male	53	24 January 1997		0	0	/	/	5	No
Total	/	/	/	/	/	0	0	/	/	879.2	/

Name	**Main work experience**
Li Baomin	A senior economist, is the secretary to the Party Committee and Chairman of the Company and a representative of the 12th National People's Congress. He had held various management positions in JCC. Mr. Li has extensive management experience. He graduated from the Faculty of History of Jiangxi Normal University, the Corporate Management College of Fudan University and postgraduate programme of economics of Jiangxi Provincial Party Committee College. Mr. Li was elected as the Chairman of the Company on 4 March 2013.
Long Ziping	A senior engineer, is currently the general manager of the Company. Mr.Long graduated from Jiangxi Institute of Metallurgy majoring in smelting, and from Central South University of Technology as a postgraduate majoring in metallurgy engineering. Mr. Long had served at various operation and management positions including the deputy chief engineer and the head of Guixi Smelter Factory, the deputy manager of JCC and executive Director of the Company. He has extensive experience in operation and management.

Name	Main work experience
Gan Chengjiu	A senior accountant, is currently an executive Director and Chief Financial Officer of the Company. Mr. Gan graduated from Zhejiang Metallurgical and Economics Technical School majoring in accounting and from Jiangxi University of Finance and Economics. He had been the Head of Financial Department of the Company and the Chief Accountant of JCC. Mr. Gan has extensive experience in finance, accounting and assets management.
Liu Fangyun	A senior accountant, graduated from Mining Machinery of Kunming Industry University with a bachelor's degree, is currently the Chairman of the Labour Union and a manager of Chengmenshan Copper Mine and Dexing Copper Mine of the Company. He has abundant experience in mine management.
Shi Jialiang	A professor-grade senior engineer, is currently an executive Director of the Company. He is a university graduate and graduated from Beijing Iron and Steel Institute with a major in industrial automation. He has served as the vice chairman, general manager, chairman and secretary to the Party Committee of Xinyu Iron & Steel Co., Ltd.
Gao Jianmin	Mr. Gao graduated from Tsinghua University. He has been a Director of the Company since its incorporation. Mr. Gao is also a director and the general manager of International Copper Company Limited, a director of Qingling Motors Co., Ltd. and a director and general manager of Silver Grant International Industries Limited. He has extensive experience in finance, industrial investment and development.
Liang Qing	Appointed as a Director of the Company in June 2002, Mr. Liang is currently a director and general manager of China Minmetals H.K. (Holdings) Limited. He has abundant experience in international trading and investment.
Tu Shutian	Mr. Tu is a professor and a master tutor of the Department of Law, Nanchang University; graduated from Southwest University of Political Science & Law and majored in law; currently serves as the Representative of the 12th People's Congress of Jiangxi Province, a member of the Standing Committee of People's Congress of Jiangxi Province, a member of the Commission of Legislative Affairs of Jiangxi Province, member of Legal Advisory Panel of Jiangxi Province, a standing director of China Law Society, the vice chairman of the Law Society of Jiangxi Province, an arbitrator of Nanchang Arbitration Committee; he has extensive expertise and experience in procedural law and civil and commercial law.

Name	Main work experience
Qiu Guanzhou	Mr. Qiu is currently a professor at Central South University (中南大學), with a master degree. He acted as the Head of Metallurgy Department of Guangdong Dabaoshan Copper Metallurgy Factory, an assistant professor and a professor of the Department of Mining Engineering of the Central South University of Technology.
Deng Hui	Mr. Deng currently serves as a Dean, a professor and a tutor of PhD Programme of School of Law in Jiangxi University of Finance and Economics, and a representative of the 12th National People's Congress. Mr. Deng graduated from East China University of Political Science and Law in 1993 with a bachelor of laws degree; Jiangxi University of Finance and Economics in 1999 with Master of Economics degree and China University of Political Science and Law in 2003 with PhD in Civil Law. Mr. Deng has served as a committee member of the Jiangxi Provincial People's Congress Standing Committee; a member of Commission of Provincial Legislative Affairs; one of the Young and Middle-aged Academic Leaders in Colleges of Jiangxi Province (江西省高校中青年學科帶頭人), a member of All-China Youth Federation, the vice chairman of the Provincial Legislative Committee; an executive director of China Securities Law Research Institute as well as the vice director of Nanchang Arbitration Committee.
Zhang Weidong	Currently serves as a professor and tutor of the PhD Programme of School of Accounting in Jiangxi University of Finance and Economics. Mr. Zhang achieved Doctor of Management in the Huazhong University of Science and Technology and Postdoctoral of Business Administration in the Economics and Management School of Wuhan University. Mr. Zhang has been selected as a candidate of "Hundred Talents Program of the Chinese Academy of Sciences" in Jiangxi Province, one of the Young and Middle-aged Academic Leaders in Colleges of Jiangxi Province (江西省高校中青年學科帶頭人) and an executive director of the Jiangxi Province Institute of Certified Public Accountants.
Hu Qingwen	Currently serves as the secretary of the Disciplinary Committee and the chairman of the Supervisory Committee of the Company. Mr. Hu is a university postgraduate and has served as chief of departments of the Company including General Planning, Human Resources, Organisation and Management Departments, as well as the secretary to the Party Committee of Guixi Smelter and chairman of the Labour Union of the Company. He has abundant experience in general management.

Name	Main work experience
Wu Jinxing	A senior accountant with a master degree, is currently the assistant to general manager of JCC and Supervisor of the Company. He had been the deputy head of the Production and Finance Division and the General Division of the Financial Department of JCC, the deputy head and head of the Financial Department of JCC Import and Export Company, deputy chief accountant and chief accountant of JCC Materials Equipment Company, the manager of the Financial Department of the Company, the Chief Accountant of Dexing Mine of the Company, and the Vice Chief Financial Officer, an executive Director and Chief Financial Officer of the Company.
Lin Jinliang	A senior economist, graduated from Central South University of Technology. He is currently in charge of the Legal Affairs of the Company. Mr. Lin served as the Head of the Youth League, Labour and Payroll division, Diversified Business and Administration Section (多元化經營管理處) and Corporate Management Division of JCC respectively. Mr.Lin has extensive experience in corporate management and legal practice.
Xie Ming	A senior economist, currently acts as the deputy secretary to the Discipline Committee and the director of the Supervisory Office of the Company. Mr. Xie has served the Company for over 20 years, where he held the positions such as deputy director and a secretary to the Party Committee of Selection Plant of Dexing Copper Mine; a secretary to the Discipline Committee and deputy director of Dexing Copper Mine and secretary to the Party Committee of Yinshan Mining Co., Ltd. He has extensive experience in mining, organisation management and efficacy supervision.
Wan Sujuan	A senior accountant, is currently a Supervisor of the Company. Ms. Wan served as the chief accountant of Jiangzhong Pharmaceutical Factory (江中製藥廠), a deputy general manager and the chief accountant of Jiangxi Jiangzhong Pharmaceutical (Group) Co., Ltd. (江西江中製藥（集團）有限責任公司), and the director of Jiangxi Zhongjiang Real Estate Co., Ltd. and Jiangzhong Pharmaceutical Co., Ltd.
Dong Jiahui	A professor-grade senior engineer, is currently a deputy general manager of the Company. He graduated from Central South University of Technology. Mr. Dong had served as deputy head of Dexing Copper Mine and head of Yongping Copper Mine of the Company. He has abundant experience in production and management.

Name	Main work experience
Jiang Chunlin	A university graduate, is a senior engineer and registered safety engineer. Currently, he serves as a deputy general manager of the Company. He graduated from the mining department of Hunan Xiangtan Mining Institute (湖南湘潭礦業學院) and had worked at Hukeng Tin Mine, Mine Resources Development Company in Autonomous Prefecture of Kezilesukeerkezi, Xinjiang, Jiangxi Rare Earth and Metals Tungsten Corporation (江西稀有稀土金屬鎢業集團公司) and Yichun Economic Development Zone. He had served as a technician, division head, deputy head of the production department and the director of the department of investment and development.
Wu Jimeng	Currently serves as the Deputy GM of Jiangxi Copper Company Limited; graduated from Hunan University with Master degree in electrical engineering; used to serve as GM Assistant in Jiangxi Copper Group Limited and the chairman of Jiangxi Helicopter Industrial & Investment Co., Ltd.
Fan Xiaoxiong	A professor-grade senior engineer, graduated from Central South University of Technology majoring in mining. He had served as vice production director of the mining field of Dexing Copper Mine of the Company as well as deputy head and head of Chengmenshan Copper Mine of the Company. He had extensive experience in mining and management. Currently he serves as the chief engineer of the Company. He has already resigned in August 2015.
Wu Yuneng	Graduated from Jiangxi Cadre's Institute of Economic Administrators (江西經濟管理幹部學院) majoring in industrial management engineering, Mr. Wu is an economist, and was the general manager of Baoxin Cable Company under Jiangtong Southern Company (江銅南方公司寶興電纜公司), the general manager of Jiangtong Southern Company (江銅集團南方總公司) and the general manager of Jiangxi Copper Trading Company Limited (江銅營銷有限公司), a subsidiary of Jiangxi Copper Company Limited. Mr. Wu has extensive experience in business management and marketing.
Huang Mingjin	Graduated from Jiangxi Metallurgy College (江西冶金學院) with a bachelor's degree in non-ferrous metallurgy, Mr. Huang is a professor-grade senior engineer and had been appointed as the head of Guixi Smelter of Jiangxi Copper Company Limited. Mr. Huang currently serves as the deputy general manager of the Company.

Name	Main work experience
Liu Jianghao	A professor-grade senior engineer, Mr. Liu was graduated from Jiangxi Institute of Metallurgy (江西冶金學院) with a bachelor degree in ore dressing. He served as the chief engineer of the Company and was appointed as the vice chairman and deputy general manager of Northern Peru project in Minerals Jiangxi Copper Mining Investment Company Limited.
Huang Dongfeng	A senior economist, Mr. Huang graduated from the faculty of management engineering in Central South University of Technology (中南工業大學). He obtained a certificate in Accounting & Finance issued by Association of Chartered Certified Accountants (ACCA) and was named as a "Gold Medal Board Secretary" by New Fortune Magazine (新財富雜誌). He served as the secretary to the Board and the assistant to general manager of the Company.
Tung Tat Chiu Michael	The Hong Kong legal adviser of the Company, a senior partner of Tung & Co., Mr. Tung holds a B.A. degree in law and accounting from the University of Manchester, the United Kingdom. He has over 10 years of experience as a practising lawyer in Hong Kong. Mr. Tung joined the Company in January 1997. Mr. Tung is also the company secretary of a number of companies listed in Hong Kong, and the independent non-executive director of a company listed in Hong Kong.

II. Engagements of Existing Directors, Supervisors and Senior Management and those who resigned during the reporting period

(I) Positions Held in Shareholders' Entities

Name	Name of shareholder's entity	Position held at the shareholder's entity	Appointment date	End of term
Li Baomin	JCC	Chairman	4 March 2013	
Li Baomin	JCC	Secretary to the Party	29 September 2006	
Wu Jinxing	JCC	Assistant to General Manager	3 February 2009	

(II) Positions held in other entities

None of the Directors, Supervisors or senior management of the Company held a position in other entity as at the end of the reporting period.

III. Remunerations of Directors, Supervisors and Senior Management

Determination procedures for remunerations of Directors, Supervisors and senior management	The Remuneration Committee of the Company formulates proposals for remunerations of Directors, Supervisors and senior management to be submitted to the Board of the Company for approval by voting.
Determination basis for remunerations of Directors, Supervisors and senior management	Remunerations for the Directors, Supervisors and senior management of the Company consist of basic salaries and performance salaries, among which performance salaries are calculated based on basic salaries to be received by the Directors, Supervisors and senior management according to assessment of their annual operating results. Remunerations for the Independent Directors are determined according to annual subsidies.
Particulars of remunerations payable to Directors, Supervisors and senior management	During the reporting period, the remuneration payable to Directors, Supervisors and senior management was RMB8,792,100.
Actual total payment of remunerations to Directors, Supervisors and senior management during the reporting period	During the reporting period, Directors, Supervisors and senior management received a total remuneration of RMB8,792,100.

IV. Change in Directors, Supervisors and Senior Management

Name	Position held	Change	Reasons for the changes
Fan Xiaoxiong	Deputy general manager	Resigned	Other work engagement

V. Punishment imposed by securities regulatory institution in last three years

Not applicable

VI. Directors' and Supervisors' Service Contracts and Interests in Contracts

All Directors and Supervisors have entered into service contracts with the Company from their respective date of appointment up to the date of the 2017 annual general meeting of the Company to be held in the year 2018.

Pursuant to relevant provisions in the Articles of Association of the Company, the term of office of the Chairman and other Directors (including non-executive Directors) is three years commencing from the date of their appointment or re-election and they are eligible for re-election and reappointment. Under Company Law of the PRC, the term of office of Supervisors is also three years and they are eligible for re-election and re-appointment.

None of the Directors or Supervisors or their related entities has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

VII. Interests of Directors, Supervisors and Chief Executive in Shares

As at 31 December 2015, none of the Directors, Supervisors or chief executive of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company or any associated corporation as recorded in the register of the Company required to be kept under section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed issuers (the "Model Code") set out in Appendix 10 of the Listing Rules.

VIII. Directors' and Supervisors' Interests in Competitive Business or Other Interests in Material Transactions, Arrangement or Contracts

During the year and as at the date of this report, none of the Directors or Supervisors had any interest in any business which competes or may compete with the business of the Company as required by the Listing Rules.

As at 31 December 2015 or at any time during the reporting year, none of the Company or its holding company or its subsidiaries entered into any transactions, arrangements or contracts of significance in which the Directors or Supervisors was either directly or indirectly materially interested.

IX. Employee Information of the Parent and its Major Subsidiaries

(I) Employee Information

Number of in-service employees in the parent	14,548
Number of in-service employees in major subsidiaries	6,325
Total number of in-service employees	20,873
Number of employees retired for whom the parent and major subsidiaries have to pay pension	0

Specialty composition

Category	Headcount
Production	15,996
Sales	231
Technician	1,443
Financial	341
Administration	2,862
Total	20,873

Education level

Category	Headcount
Post-secondary and above	6,985
Technical secondary and senior secondary	9,043
Junior secondary and below	4,845
Total	20,873

(II) Remuneration Policy

In 2015, the Company continued to adopt a position-performance payroll mechanism and based on the principle of division of labour, made remuneration distribution according to value of position, work techniques and results. Staff remunerations, mainly including position salaries, performance salaries and other welfare, were released based on assessment with reference to operating performance, management obligation, etc..

During the reporting period, total remuneration of the staff of the Group amounted to 1,849,302,612.

(III) Training Plan

In 2016, the Company will formulate a training plan in line with the new normality of the Company taking into consideration of the development strategies and production and operation mission of the Company. The continuous improvement of the overall quality of the staff of the Company will provide talent support and guarantee for the realization of new strategic target of the Company to facilitate the overall development of the Company.

X. Ordinary share profit distribution plan or plan to convert capital reserves into share capital

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

1. Profit Distribution Principle: the Company distributes dividend annually. It may distribute interim or special dividend provided that it is in compliance with the Articles of Association. The dividend distribution policy of the Company should maintain certain continuity and steadiness, and be in compliance with relevant regulatory requirements which amend from time to time.

2. Profit Distribution Method: the Company distributes dividend by ways of cash, shares or a combination of cash and shares, in which cash dividend will be a priority.

3. Profit Distribution Plan: Under the conditions that the Company's accumulated distributable profit is a positive figure, there is profit of the year, the cash can satisfy normal production and operation of the Company, earnings per share of the year is above RMB0.01, and the cash dividend per share is above RMB0.01 if no less than 10% of the distributable profit of the year is distributed, then the distributed profit in cash shall not be less than 10% of the distributable profit of the year. For the last three years, the accumulated distributed profit in cash shall be no less than 30% of the average annual distributable profit in the last three years.

4. The profit distribution plan proposed by the Board should obtain agreement from over half of all the independent Directors, and shall submit to the shareholders' meeting of the Company for approval after the consideration and approval of the Board. The shareholders' meeting of the Company should communicate with the minority and obtain adequate opinions from them while considering the cash dividend plan.

5. Should the Company have profit but the Board have not made any cash dividend proposal, then such reasons should be disclosed in the periodic reports and the usage of the undistributed fund in the Company. Independent Directors should issue their independent opinions to such matter.

Pursuant to the requirements of the Company Law and the Notice in relation to Matters concerning Further Implementation of Cash Dividend Distribution of Listed Companies (《關於進一步落實上市公司現金分紅有關事項的通知》), Regulatory Guidelines for Listed Companies No. 3 – Cash Dividend Distribution of Listed Companies (《上市公司監管指引第3號－上市公司現金分紅》) issued by CSRC and the Notice regarding to the Re-issue of Notice in relation to Matters concerning Further Implementation of Cash Dividend Distribution of Listed Companies (《關於轉發〈關於進一步落實上市公司現金分紅相關事項的通知〉的通知》) and other documents issued by Jiangxi Securities Regulatory Bureau, the Company considered and approved the resolution of the Dividend Policy and 3-Year Plan of Shareholders' Return of Jiangxi Copper Company Limited (2016-2018) at the board meeting dated 25 February 2016. The resolution will be submitted to the shareholders' meeting for 2015, which will be convened in 2016, for consideration.

The 2015 Profit Distribution Plan of the Company will be implemented pursuant to the Dividend Policy and 3-Year Plan of Shareholders' Return of Jiangxi Copper Company Limited (2015-2017). The Board has recommended distribution of a final dividend of RMB0.10 per share (inclusive of tax) for 2015 to all the shareholders. The Board did not recommend transfer of capital reserve to share capital or issue of bonus shares. Independent Directors of the Company have expressed independent opinions on the profit distribution plan.

(II) Share buy-back by cash offer recognized in cash dividends

Nil

(III) If the Company records profits and the distributable profit to ordinary shareholders is positive during the reporting period but there is no proposal for cash dividend, the Company shall disclose the reasons, the usage and planned use of the undistributed profits in detail.

Not applicable

(IV) Plans or proposals for ordinary share profit distribution or transfer of capital reserve to share capital of the Company in the last three years (including the reporting period)

Unit: Yuan Currency: RMB

Year	Number of bonus shares issued for every 10 shares (Share)	Dividend for every 10 shares (RMB) (Tax inclusive) (Share)	Number of shares transferred to capital reserve for every 10 shares (Share)	Cash dividends (tax inclusive)	Net profit attributable to shareholders of the Company in the consolidated financial statements for the dividend year	As a percentage of net profit attributable to shareholders of the listed company in the consolidated financial statements (%)
2015	0	1	0	346,272,941	637,218,130	54.34
2014	0	2	0	692,545,881	2,850,649,245	24.29
2013	0	5	0	1,731,364,703	3,565,009,194	48.57

Withholding of Enterprise Income Tax for Non-resident Enterprise Shareholders

Pursuant to the "Enterprise Income Tax Law of the PRC"(《中華人民共和國企業所得稅法》)and the relevant implementing rules which came into effect on 1 January 2008 and the "Notice of the Issues concerning Withholding the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to H Share Holders Which are Overseas non-resident Enterprises"(《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》)issued by the State Administration of Taxation on 6 November 2008, the Company is required to withhold and pay corporate income tax at the rate of 10% before distributing the final dividend to non-resident enterprise shareholders as appearing on the H share register of members of the Company. Any shares registered in the names of non-individual registered shareholders (including HKSCC Nominees Limited, other corporate nominees, trustees or other entities and organisations) will be treated as being held by non-resident enterprise shareholder and will therefore be subject to the withholding of the enterprise income tax.

Withholding of Personal Income Tax for Individual H Shareholders

Pursuant to the State Administration of Taxation Notice on Matters Concerning the Levy and Administration of Individual Income Tax After the Repeal of Guo Shui Fa [1993] No. 045 (Guo Shui Han [2011] No. 348) (《國家稅務總局關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》)(國稅函[2011]348號) dated 28 June 2011, and the letter entitled "Tax arrangements on dividends paid to Hong Kong residents by Mainland companies" dated 4 July 2011 issued by the Stock Exchange, the Company is required to withhold and pay the individual income tax in respect of the 2014 final dividends paid to the individual H Shareholders (the "Individual H Shareholders"), as a withholding agent on behalf of the same. However, the Individual H Shareholders may be entitled to certain tax preferential treatments pursuant to the tax treaties between the PRC and the countries (regions) in which the Individual H Shareholders are domiciled and the tax arrangements between Mainland China and Hong Kong (Macau).

Pursuant to the aforesaid changes in the tax regulations, when the 2015 final dividends is to be distributed to the holders of H Shares whose names appear on the register of members of the Company as at the record date, the Company will base on the tax rate of 10% to withhold 10% of the dividend to be distributed to the Individual H Shareholders as individual income tax.

For non-resident enterprise holders of H Shares, the Company will withhold 10% of the dividend as enterprise income tax according to the relevant tax regulations in line with its previous practice.

If Shareholders' names appear on the H Shares register of members, please refer to nominees or trust organisation for details of the relevant arrangements. The Company has no obligation and shall not be responsible for confirming the identities of the Shareholders. The Company will strictly comply with the laws, and withhold and pay the enterprise income tax and individual income tax on behalf of the relevant Shareholders based on the H Shares register of members of the Company as at the record date. The Company will not accept any requests relating to any delay in confirming the identity of the Shareholders or any uncertainties in the identity of the Shareholders.

Should the holders of H Shares of the Company have any doubts in relation to the aforesaid arrangements, they are recommended to consult their tax advisors regarding the relevant tax impacts in mainland China, Hong Kong and other countries (regions) on the possession and disposal of H Shares of the Company.

XI. Equity-linked agreement

Saved as the disclosed in this report, there was no equity-linked agreement entered into by the Company.

XII. Donation

During the reporting period, the donation made by the Company amounted to RMB3.5179 million.

Corporate Governance Report

I. Information on Corporate Governance and Management on the Registration of Holders of Insider Information

During the reporting period, the Company strictly complied with the Disclosure of Inside Information and Procedures of Internal Control, and standardised its operation in strict compliance with provisions of laws and regulations including the Company Law, the Securities Law and Listing Rules. The shareholders' meeting, the Board, Supervisory Committee, and special committees under the Board duly performed their duties and operated in accordance with law. The Company implemented relevant procedures and disclosure in respect of matters including use of proceeds, significant investments and connected transaction according to relevant rules.

There was no material incompliance of corporate governance with relevant regulations of CSRC.

II. Code on Corporate Governance Practices

The Company strives to maintain and establish quality corporate governance. To the knowledge of the Board, during the reporting period, the Company has been in full compliance with all the code provisions under the Corporate Governance Code (the "Code") as set out in Appendix 14 to the Listing Rules, with the exception of the following deviations:

During the reporting period, the legal action which the Directors of the Company may face is covered in the internal control and risk management of the Company. As the Company considers that no additional risk is likely to exist, insurance arrangements in respect of legal action against Directors have not been made as required under code provision A.1.8 of the Code.

During the reporting period, due to business engagement, the Chairman did not attend the annual general meeting of the Company held on 9 June 2015 ("2014 AGM") as required under code provision E.1.2 of the Code. Instead, Mr. Gan Chengjiu, the Directors of the Company, was delegated by the Chairman and was elected at the 2014 AGM to act as the chairman of the AGM. In addition, the chairmen of nomination committee did not attend or appoint delegates to attend the 2014 AGM pursuant to code provision E.1.2 of the Code. Instead, the chairmen of the nomination committee were well informed by the Company in advance of the date and time of the 2014 AGM and were made available to answer questions raised at the 2014 AGM by telephone.

The following text sets out the corporate governance practices adopted by the Company.

(1) Shareholders and General Meeting

The Company is committed to ensuring that all shareholders, especially minority shareholders, are ranked pari passu with each other and they could effectively and fully exercise their rights and relative obligations, meanwhile ensures shareholders' rights to know and participate in the Company's significant events of the Company as required under relevant laws, regulations and the Articles of Association.

The convening, holding, resolutions and voting procedures of the Company's shareholders' meetings were in strict compliance with relevant regulatory provisions of the places where the Company's shares are listed as well as the requirements of the Articles of Association of the Company. All shareholders' meetings were witnessed by the PRC lawyers with the representative from auditors as the scrutineer.

(2) Relationship between the Controlling Shareholder and the Company

JCC, being the controlling shareholder of the Company, performs its rights and obligations under the laws. The economic business between the Company and its controlling shareholder is carried out in strict accordance with market and commercial principles and follows the approval procedures for connected transactions. The controlling shareholder does not override the power of the general meeting to interfere directly or indirectly the operating activities of the Company. The Company is independent from its controlling shareholder in terms of operations, assets, organisation, finance and staff. The Board, the Supervisory Committee and the internal functions of the Company operate independently.

(3) Directors and the Board

The Board is mainly responsible for devising the Company's overall strategies such as the development strategies, management structure, investment and financing, budget, financial control and human resources and overseeing the operations of the Company (including reviewing and monitoring the training and continuous professional development for the Directors and senior management personnel and formulating, reviewing and monitoring the code of conduct and compliance manual of employees and Directors). The Board is also responsible for reviewing and monitoring the policies and practices regarding the Company's compliance with laws and regulatory requirements and formulating the operations and disclosures of the Company in accordance with the listing rules or other rules and regulations of places where the shares of the Company are listed and reviewing the financial performance of the Company. In addition, the Board is also responsible for formulating and reviewing the Company's corporate governance policies and practices and reviewing the Company's compliance with the Code and the disclosure in the "Corporate Governance Report. During the reporting period, Mr. Li Baomin served as Chairman of the Company. The Chairman leads and supervises the operation of the Board and effectively plans Board meetings to ensure that the Board acts in the best interests of the Company. Under the leadership of the Chairman, the Board has adopted sound corporate governance and procedures and taken adequate measures for efficient communication with shareholders. The Chairman implements the Board's decisions and makes daily management decisions. The power and duties of the Board and Chairman of the Company are set out in the Articles of Association in details.

The Board of the Company comprises 11 Directors, including 2 external executive Directors, 4 independent non-executive Directors and 5 executive Directors who are related to the controlling shareholder or the ultimate controller. Members of the Board have different industrial background and professional knowledge in corporate management, financial accounting, law, mining and metallurgy. For details of the composition of the Board and the biographies of the members of the Board, please refer to the section headed "Directors, Supervisors and Senior Management" of this annual report.

Pursuant to relevant provisions in the Articles of Association of the Company, the term of office of the Chairman and other Directors (including non-executive Directors) is three years commencing from the date of their appointment or re-election and they are eligible for re-election and reappointment.

Currently, the Company has 4 independent non-executive Directors. Among them, Mr. Zhang Weidong is a professor of Accounting in the School of Accounting in Jiangxi University of Finance and Economics, and tutor of the PhD Programme in Accounting Studies and an executive director of the Jiangxi Province Institute of Certified Public Accountants. The Board considers that, Mr. Zhang, with his educational background and experience, is in compliance with the requirement set out in Rule 3.10(2) of the Listing Rules which prescribes that at least one of the independent non-executive Directors shall have appropriate expertise in accounting or related financial management.

The Company nominated the Director candidates in accordance with the Articles of Association and relevant regulatory requirements. Candidates for independent directorship may be nominated by the Board, the Supervisory Committee or by shareholders individually or collectively holding 1% or more of the issued shares of the Company carrying voting rights. Candidates for non-independent directorship may be nominated by the Board or the controlling shareholder of the Company.

The Board established the Independent Audit Committee (the Audit Committee), the Remuneration Committee and Nomination Committee:

The responsibilities of the Independent Audit Committee principally covers reviewing and monitoring the performance and procedures of financial reporting, reviewing the soundness and effectiveness of internal control system of the Company, considering and approving the engagement of independent auditors and the related coordination, and reviewing the related working efficiency and performance. The current Independent Audit Committee comprises 4 independent non-executive Directors of the Company, namely, Mr. Zhang Weidong, Mr. Qiu Guanzhou, Mr. Tu Shutian and Mr. Deng Hui with Mr. Zhang Weidong as chairman of the Audit committee. The Secretary to the Board is also the secretary to the Independent Audit Committee.

The Establishment, Improvement and Main Contents of the Relevant Work Rules of the Audit Committee and the Summary Report on Fulfilment of Duties of the Audit Committee of the Board

1) The Company had formulated the Work System of the Independent Audit Committee (the Audit Committee) which is responsible to the Board and assumes the duties to review the Company's financial reporting, financial control, internal control and risk management system and oversee the preparation procedures of the Company's financial statements and the completeness of their contents as well as the appointment and removal of the auditors.

2) Summary report on fulfilment of duties of the Audit Committee is as follows:

   (1) On 20 March and 20 August 2015, we convened two meetings, each of which was attended by all members of the Audit Committee. At one meeting, we reviewed and confirmed the audited 2014 annual report which was reviewed by the accountants, issued written opinions on the connected transactions, fund appropriation and external guarantees of the Company and made recommendations for the appointment of auditors, whilst at the other meeting, we reviewed and confirmed the 2015 interim report prepared in accordance with the International Financial Reporting Standards which was reviewed by the accountants and listened to the report on 2015 annual audit work arrangements by the accountants;

   (2) Before the auditors conducted auditing, we have reviewed the annual financial statements for 2015 prepared by the Company, and issued written opinions that such financial statements were in compliance with the PRC GAAP, and agreed to submit such financial statements to Deloitte Touche Tohmatsu Certified Public Accountants LLP for auditing;

   (3) We reviewed matters including the auditing process, auditing findings and auditing adjustments of Deloitte Touche Tohmatsu Certified Public Accountants LLP and believed that the auditing work was executed in strict accordance with provisions of China Standards on Auditing for Certified Public Accountants;

   (4) Upon issue of initial auditing opinions by the auditor, we reviewed again such financial statements prepared by the Company and considered that they were appropriately prepared in accordance with requirements of the PRC GAAP, and truly and completely reflected the Company's financial position as at 31 December 2015, operating results and cash flow for 2015 in relevant material aspects;

(5) We submitted to the Board the summary report on the Company's auditing work for the previous year made by the auditors, considering that Deloitte Touche Tohmatsu Certified Public Accountants LLP executed the auditing work in strict accordance with provisions of China Standards on Auditing for Certified Public Accountants. With sufficient time for auditing and reasonable allocation on auditing personnel, the auditors were competent in respect of execution ability. The audit conclusions issued fully reflected the financial position of the Company as at 31 December 2015 and its operating results for 2015 and were in line with actual situation of the Company.

Members of Independent Audit Committee: **Zhang Weidong, Qiu Guanzhou, Tu Shutian, Deng Hui**
22 March 2016

The responsibilities of the Remuneration Committee mainly include: to provide advices to the Board in respect of the remuneration system and policies of the Company's Directors and senior management; to provide advices to the Board in respect of the remuneration of non-executive Directors; to determine specific remuneration of all executive Directors and senior management which includes non-monetary benefits, pension rights and compensation; to ensure that no Director or any of his/her associates determines his/her own remuneration; and to provide other recommendations to duties specified in other codes. The current Remuneration Committee comprises 4 independent non-executive Directors of the Company, namely, Mr. Tu Shutian, Mr. Qiu Guanzhou, Mr. Zhang Weidong and Mr. Deng Hui, with Mr. Tu Shutian as chairman of the Remuneration Committee. The Secretary to the Board is also the secretary to the Remuneration Committee.

Summary report on fulfilment of duties of the Remuneration Committee of the Board:

On 20 March 2015, the Company held the third meeting of the sixth Remuneration Committee, which was attended by all members of the Remuneration Committee at which the remuneration and bonus proposal for Directors, Supervisors and senior management for the year of 2014, and recommendations were made to the Board in respect of the above matters.

Members of Remuneration Committee: **Tu Shutian, Qiu Guanzhou, Zhang Weidong, Deng Hui**
22 March 2016

The responsibilities of the Nomination Committee mainly include: to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy; to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships; to assess the independence of independent non-executive directors; to make recommendations to the Board on the appointment or reappointment of directors and succession planning for directors, in particular the chairman and the chief executive. This session of Nomination Committee is comprised of two executive directors, namely, Mr. Li Baomin and Mr. Long Ziping, and 4 independent non-executive directors, namely Mr. Qiu Guanzhou, Mr. Tu Shutian, Mr. Zhang Weidong and Mr. Deng Hui. The Chairman of the Nomination Committee is Mr. Li Baomin. The secretary to the Board is the secretary to the Nomination Committee.

Summary report on fulfilment of duties of the Nomination Committee of the Board:

On 20 March 2015, the Company held a Nomination Committee meeting, which was attended by all members of the Nomination Committee at which the proposal in relation to the nomination of Mr. Qiu Guanzhou as director of the Company was approved, and recommendations were made to the Board in respect of the said matter.

Members of Nomination Committee: **Li Baomin, Long Ziping, Qiu Guanzhou, Tu Shutian, Zhang Weidong, Deng Hui**
22 March 2016

(4) Supervisory Committee

The Supervisory Committee of the Company consists of 5 Supervisors, including 2 employees' representative supervisors. The Supervisors serve for a term of office of three years and are eligible for re-election. The current Supervisory Committee is the sixth Supervisory Committee since the incorporation of the Company, with a term of office commencing from 3 August 2015 and ending upon the convening of the 2018 annual general meeting.

During the reporting period, the Supervisors of the Company exercised its supervising power in accordance with laws, thereby safeguarding the legal interests of shareholders, the Company and its employees.

(5) Directors' responsibilities on the financial report

With the assistance of the accounting department, the Directors are responsible for preparing the financial statements of the Company for each financial year and ensuring that, in preparing such financial statements, appropriate accounting policies are adopted and applied under the PRC GAAP and IFRSs, to give a true and impartial view of the financial position and operating results of the Company.

(6) The independence of independent non-executive Directors

The Board has received a confirmation letter from each of the independent non-executive Directors in respect of their independence in accordance with the requirements provided under Rule 3.13 of the Listing Rules of the Stock Exchange. The Company considers independent non-executive Directors of the current session of the Board to be independent.

(7) Board diversity policy

The Board has adopted a Board diversity policy, and the Nomination Committee of the Company is responsible for supervising the effectiveness of the measurable targets of the policy.

The Company recognizes and embraces that Board diversity can enhance the quality of its performance. With a view to achieving a sustainable and balanced development, the Company regards the increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In designing the Board's composition, the Company has considered a number of aspects for the Board diversity, including but not limited to gender, age, culture, educational background, professional experience, skills and knowledge. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

III. Peer Competition and Connected Transactions

(1) Peer Competition

During the reporting period, there was no substantive peer competition between the Company and JCC Group.

(2) Connected Transactions

The Company was established in 1997 on part of the assets separated from the controlling shareholder JCC Group, hence certain connected transactions are inevitable between the Company and JCC Group. Such connected transactions were in compliance with the market and business principles and followed the approval procedures for connected transactions.

The Company has been committed to reducing the connected transactions with JCC Group since its listing. The types of connected transactions between the Company and JCC Group have been substantially reduced due to the increasing acquisitions of JCC's Group assets and the socialization of part of JCC's Group assets.

IV. Fulfilment of Duties by Directors

(I) Attendance of Directors at the Board meetings and shareholders' meetings

		Participation in Board meetings						Participation in shareholders' meetings
Name of Director	Whether an independent Director	Required attendance in the year	Attendance in person	By telecom communication	Attendance by proxy	Absence	Whether attend not in person proxy for two consecutive times	Attendance in shareholders' meetings
Li Baomin	No	7	7	0	0	0	No	1
Long Ziping	No	7	7	0	0	0	No	1
Gan Chengjiu	No	7	6	0	0	1	No	1
Liu Fangyun	No	7	6	0	0	1	No	0
Shi Jialiang	No	7	7	0	0	0	No	0
Gao Jianmin	No	7	3	4	0	0	No	0
Liang Qing	No	7	3	4	0	0	No	0
Qiu Guanzhou	Yes	7	5	2	0	0	No	0
Tu Shutian	Yes	7	6	1	0	0	No	0
Zhang Weidong	Yes	7	7	0	0	0	No	1
Deng Hui	Yes	7	7	0	0	0	No	1

Board meetings convened during the year		7
Of which:	On-site meetings	2
	By telecommunication	0
	Meetings held on site and by telecommunications	5

(II) Objection of Independent Directors on the Company's Relevant Events

During the reporting period, no objection was made by the Company's independent Directors to resolutions of Board meetings or other resolutions made by parties other than the Board during the year.

(III) Model Code for Securities Transaction by Directors

During the reporting period, the Company adopted the Model Code. Having made specific enquiries to all Directors and Supervisors, the Company confirms that all the Directors and Supervisors have complied with the requirements of the Model Code during the reporting period.

(IV) Directors' Participation in Continuous Professional Development

During the reporting period, according to the requirement of CSRC and the two stock exchanges, all the Directors of the Company attended the training classes of professional knowledge, participated in the continuous professional development and updated their knowledge and skills, so as to ensure that they can contribute to the Board with the comprehensive information catering to their needs.

Particulars of trainings are set as below:

Directors	Trainings on directors' qualification	Trainings on corporate governance and global business
Li Baomin	✓	✓
Long Ziping	✓	✓
Gao Jianmin	✓	
Liang Qing	✓	
Gan Chengjiu	✓	✓
Liu Fangyun	✓	
Shi Jialiang	✓	
Wu Jianchang	✓	
Qiu Guanzhou	✓	
Gao Dezhu	✓	
Zhang Weidong	✓	
Deng Hui	✓	

V. Major Advice and Recommendation Proposed by the Special Committees under the Board in Their Fulfilment of Duties during the Reporting Period, in case of objections, details shall be disclosed

The Company has established the Working System for Annual Report of the Independent Directors. Work Rules of the Independent Audit Committee (Audit Committee) also require that all members of the Audit Committee shall be independent Directors. During the reporting period, independent Directors of the Company duly performed their duties, carefully reviewed the connected transactions, appropriation of fund by substantial shareholders and preparation of annual report and issued independent opinions.

VI. Explanation on The Risk in the Company Discovered by the Supervisory Committee

No disagreement was raised by the Supervisory Committee in the supervision during the reporting period.

VII. Particulars of the Assessment Mechanism for Senior Management and of the Establishment and Implementation of Incentive Mechanism During the Reporting Period

During the reporting period, the Company submitted the Proposal in relation to Remuneration of the Senior Management for 2015 to the Board. The proposal will be submitted to the 2015 shareholders' meeting for consideration and approval.

VIII. Auditors' remuneration

For the auditors' remuneration in 2015, please refer to item 8 under section headed "Significant Events" in this report.

IX. Company secretary

For the year ended 31 December 2015, the two company secretaries of the Company had received relevant professional trainings of not less than 15 hours to update their skills and knowledge.

X. Shareholders' rights

The Company guarantees that all the Shareholders enjoy equal rights and they can fully exercise their rights based on their shareholdings. The Articles of Association of the Company specifies that Shareholder(s) holding more than 10% (including 10%) of the issued shares with voting rights of the Company may request the Board to convene an extraordinary general meeting. The convening, holding, voting and relevant procedures are in strict compliance with relevant laws and the Articles of Association of the Company

The Articles of Association of the Company also specifies that Shareholders are entitled to supervise and manage the business and operation of the Company, put forward recommendations or questions, inquire relevant information as well as the rights to know and participate in the Company's significant events. For details of the procedures and methods of inquiry, please refer to the Articles of Association of the Company.

The Company values a good communication with Shareholders, the main communication channels include the general meetings, the Company's website and email address, the telephone and facsimile of the Secretariat of the Board, which are set for shareholders to express their opinions or exercise their rights.

XI. Investor Relations

During the reporting period, the Company attached great importance to build a sound and harmonious investor relation. It intensified the communication and interaction with Shareholders through various channels such as the Company's website, emails, telephone and facsimile. It also received the Shareholder's visits and replied their letter and calls seriously. It also addressed their concerns and inquiries, turning the investors' request and suggestions as an incentive for the Company's to grow.

In addition, the websites of the Company and the Stock Exchange contain the information of the Company, the annual reports, interim reports, quarterly reports and announcements and circulars published by the Company. The latest information of the Company is available to the Shareholders and investors.

XII. Evaluation Report on Internal Control

The Board regularly (twice a year) reviews the internal control of the Group. During the reporting period, the Board has conducted an evaluation for the Group's internal control. Please refer to the 2015 Assessment Report on Internal Control as set out on page 79 to 84 of this report and disclosed on 23 March 2016 at the website of SSE for details.

I. Statement on the Responsibility of Internal Control and Establishment of Internal Control System

The Board and all Directors of the Company warrant that there are no false representations, misleading statements contained in or material omissions from this report, and jointly and severally accept the responsibility for the truthfulness, accuracy and completeness of the information herein contained. It is the responsibility of the Board of the Company to establish a sound internal control and implement it effectively. The Supervisory Committee is responsible for supervising the establishment and implementation of internal control by the Board while the management is responsible for organising and guiding the daily operations of the Company's internal control.

Jiangxi Copper Company Limited had established, and effectively put into practice, a more comprehensive and systematic internal control system that catered to the operational features of the Company in 2011. Through the design, operation, evaluation and continuous improvement of the internal control system, the Company continuously optimised the administrative duties of internal control as well as corresponding specifications. By so doing, it standardised its countermeasures against risks, enhanced the management of internal control of the Company and continuously improved the operational efficiency and outcome so as to facilitate the implementation of its development strategy.

The objectives of the Company's internal control are reasonable assurance of operation and management in compliance with laws and regulations, asset safety, truthfulness and completeness of financial report and relevant information, improvement of operation efficiency and results, as well as promotion of development strategy. Due to inherent limitations of internal control, it can only provide reasonable assurance for achievement of above objectives. In addition, changes in circumstances may lead inadequacy of internal control or reduction of the adherence of control policies and procedures, thus it has certain risks in effectiveness of future internal control inferred with the evaluation results of internal control.

(I) Conclusions on the evaluation of internal control

According to the identification criteria of material deficiency of internal control in the financial reporting of the Company, as at the basis date of internal control evaluation report, material deficiency of internal control in the financial reporting did not exist. The Board is of the view that the Company has maintained efficient internal control in the financial report in all material respects in accordance with requirements of corporate internal control standard system and relevant regulations.

According to the identification of material deficiency of internal control in the non-financial reporting of the Company, as at the basis date of internal control evaluation report, material deficiency of internal control in non-financial reporting did not exist.

There was no factor affecting conclusion to the evaluation of efficiency of internal control from the basis date of internal control evaluation report to its issue date.

(II) Evaluation of internal control

(I) Evaluation scope of internal control

The Company determined to incorporate major units, business and matters as well as high-risk fields into the evaluation scope pursuant to risk-oriented principle. The major units within the evaluation scope comprise 8 units, including the headquarters of the Company, Dexing Copper Mine, Guixi Smelter, Chengmenshan Copper Mine, processing business segment of JCC and Shenzhen Jiangxi Copper and Marketing Company Limited.

Total asset of the units being incorporated in the evaluation scope accounted for 87% of the consolidated total asset of the Company at the end of the year, with the total operating revenue accounted for 83% of the consolidated operating revenue of the Company for the year. Principal business and items which were incorporated in the evaluation scope included: examination, acceptance, storage and access of parts materials; review the total amount of copper concentrate and sulphuric concentrate in-coming and out-going inventory; engineering projects and equipment procurement consolidation; deal with all of the ownership certificates upon completion and acceptance of projects; sampling, examination and measurement of raw materials and information transmission; control of ORACLE system access rights and application; procurement business suppliers' access rights, credit rating, payment for goods, pricing and deposit for pricing; access rights, credit rating, execution of sales agreements and external reconciliation of customers from sales operation; forward pricing and risk exposure for hedging; gold leasing; and forward foreign exchange, etc. Mainly focus on sales operations and hedging business.

The above-mentioned units, business and items, which were incorporated in the evaluation scope, comprised the Company's major aspects of operation and management. There is no significant material omission.

(II) Basis of Internal Control Evaluation and Standard of Deficiency Identification in Internal Control

The Company organized the work of internal control evaluation pursuant to "Internal Control Manual of Jiangxi Copper Company Limited" (江西銅業股份有限公司內部控制手冊) and "Internal Control Evaluation Implementation Scheme for the Year 2015 of Jiangxi Copper Company Limited" (江西銅業股份有限公司2015年度內部控制評價實施方案).

In accordance with the requirements of the Corporate Internal Control Standard System on identification of material defects, major defects and general defects and combined with the Company's size, industry characteristics, risk appetite, risk tolerance and other factors, the Board of the Company made a distinction between internal control over financial reporting and internal control over non-financial reporting, studied and established a specific defect identification standard which was applicable to internal control of the Company and consistent with those in the previous years. The internal control defect identification standard identified by the Company is as follows:

1. Standard of identification for internal control defects in the financial statements

Identification quantitative standard for internal control defect in the financial statements of the Company is as follows:

Material defects:	Misreported amount is greater than 10% of the audited net profit of the Company for the last accounting period.
Major defects:	Misreported amount is greater than 6% and smaller than 10% of the audited net profit of the Company for the last accounting period.
General defects:	Misreported amount is smaller than or equal to 6% of the audited net profit of the Company for the last accounting period.

Identification qualitative standard for internal control defect in the financial statements of the Company is as follows:

Material defects:	(1) The directors, supervisors and senior management are found to have fraud behavior; (2) ineffective internal control environment; (3) the Company corrects the published financial reports; (4) the certified public accountant identifies material misstatement in the current financial report which has not been identified during the operation of the internal control; (5) the supervision of the Company's Audit Committee and Department of Audit over the internal control is proved to be ineffective.
Major defects:	(1) Correction of the misstatement in the financial report, which does not reach or exceed the level of importance but is still worth the attention of the Board and the management; (2) internal control defects which have occurred and reported to the management are not corrected on time.
General defects:	Nil

2. Identification criteria for defects in internal control over non-financial reporting matter

Quantitative criteria for identifying defects in internal control over non-financial reporting:

Material defects:	(1) Material business errors which incurs a great cost (more than 20% of the time, personnel and cost over the budget) to control the situation, or the situation is out of control and greatly influences the survival of the enterprise; (2) the Company fails to achieve its certain key operation targets or performance indicators, the completion rate of any indicator not reaching the targets is lower than 90% or the department/unit under the risk cannot achieve all of its key operation targets or performance indicators due to the risk; (3) factors such as equipment, personnel, system, natural disaster interrupt the business/operation of the department/ unit under the risk for 3 days and above; (4) serious violation of laws and regulations which is investigated by the central government or the regulators and penalized; (5) material commercial disputes, civil actions or arbitration, and the value of subject matter reaches 8% of the audited net assets of the Company for the last accounting period.
Major defects:	Between the material defects and general defects.
General defects:	(1) Influence the operation to a certain extent and the situation is controllable with a relatively small cost (within 6% of the time, personnel and cost over the budget); (2) factors such as equipment, personnel, system, natural disaster interrupt the business/operation of the department/unit under the risk for less than 4 hours or can be recovered promptly; (3) violation of laws and regulations which is investigated, sued or punished by the municipal and local government, or slight violations of regulations and receives verbal warnings; (4) ordinary commercial disputes, civil actions or arbitration, and the value of subject matter is less than 6% and more than 4% of the audited net assets of the Company for the last accounting period.

Qualitative criteria for identifying defects in internal control over non-financial reporting:

Material defects:	(1) Negative information spreads across the nation, and the central government departments or regulators pay high attentions or start an investigation, or the information becomes a great concern of the official and mainstream media; (2) the enterprise needs more than 1 year to restore the reputation; (3) irreparable environmental damage that can be catastrophic or the environmental events as defined in Emergency Countermeasures for Environmental Incidents of the PRC; (4) the situation is named by the national administrative department on environmental protection and is requested to suspend production for rectification; (5) seriously impair the interest of employees and influence their overall working efficiency; (6) individual or collective appeal of the staff to Beijing, which has bad influences; (7) more than 5% of the key technical staff and management run off (intermediate level including the intermediate level technician/managerial personnel at middle level above in the secondary units).
Major defects:	Between the material defects and general defects.
General defects:	(1) Negative information has little damage to the corporate reputation or not attracted the attention of the media; (2) the corporate can rapidly defuse the impact brought by the negative information; (3) administrative penalty by the environment authorities in the districts; (4) has certain or temporary impact on the environment or society, but not damage the ecosystem; (5) draws attention of the relevant authorities of the government/ or needs to inform the relevant authorities of the government, and does not need to take practical actions but need to pay close attention; (6) influences the working enthusiasm of the staff to some extent and lower their working efficiency; (7) individual or collective appeal of the staff to the parent company, which has adverse impact on the corporate culture, corporate cohesive force to some extent; (8) less than 1% of the key technical staff and management run off.

II. Explanations on Relevant Matters of Internal Control Audit Report

The Company disclosed a standard unqualified Internal Control Audit Report for 2015 issued by Deloitte Touche Tohmatsu Certified Public Accountants LLP (Special General Partnership), the auditor for internal control. For details, please refer to the websites of the SSE and the Company.

Whether to disclose internal control audit report: Yes

I. Company Basic information of bonds

Unit: Yuan   Currency: RMB

Name	Abbreviation	Code	Issue date	Maturity date	Balance	Interest rate	Method of repayment	Transaction location
08 JCC Group bonds	08 JCC Group bonds	126018	22 September 2008	22 September 2016	6.8 billion	1.00%	The principal is repaid in a lump sum on maturity and the interest is paid annually during the term of the bond. The last payment of interest will be made together with the principal.	Shanghai Stock Exchange

II. Contact information of trustee of corporate bonds and credit rating agency

Trustee of bonds	Name	China International Capital Corporation Limited
	Business address	27-28th Floor, China World Office 2, 1 Jianguomenwai Avenue, Beijing
	Contact	Xu Kang, Du Yiqing
	Tel	010-65051166
Credit rating institution	Name	China Chengxin Securities Credit Rating Co., Ltd.*
	Business address	Floor 14, Tower C, Zhaoshang International Financial Center, No. 156, Fuxingmenwai Avenue, Xicheng District, Beijing

Other explanation:

The trustee of the bonds and credit rating institution engaged by the Company remained unchanged during the reporting period.

Corporate Bonds

III. Use of proceeds from bonds issuance

Please refer to the 2015 Proceeds Raising Report of Jiangxi Copper Company Limited disclosed at the SSE on 23 March 2016.

IV. Information on credit rating institution of corporate bonds

On 20 April 2015, China Chengxin Securities Credit Rating Co., Ltd.* was engaged by the Company to conduct credit rating on the Company and the "bonds with warrants of Jiangxi Copper Company Limited 2008" issued by the Company: Corporate credit rating was AAA, forward-looking rating was stable; maintained AAA for the credit rating of current bonds. For details, please refer to the credit rating report of Tracking and Credit Rating Report of Convertible Corporate Bonds for Bonds with Warrants of Jiangxi Copper Company Limited for 2008 (2015) published on the website of the SSE (www.sse.com.cn) on 30 April 2015.

V. Credit improving mechanism, repayment plan and other related information for Corporate bonds during the reporting period

China Chengxin Securities Credit Rating Co., Ltd.* made no adjustment to the bonds' rating during the reporting period. The tracking and rating report is issued once a year regularly.

VI. Meetings convened of Corporate bonds holders

During the report period, no meetings of bonds holders were convened by the Company.

VII. Duty performance of trustee of Corporate bonds

China International Capital Corporation Limited has issued the Special Examination Report Relating to Deposit and Actual Use of Proceeds of Jiangxi Copper Company Limited in 2015 for the Company. For details, please refer to the relevant announcement disclosed on the website of the SSE (www.sse.com.cn) on 23 February 2016.

VIII. Accounting data and financial indicators of the last 2 years as at the end of the reporting period

Unit: Yuan Currency: RMB

Major indicators	2015	2014	Increase/ decrease from last year *(%)*	Reason for changes
EBITDA	3,902,130,591	6,363,019,274	-38.67	Decrease in net profit
Net cash flow from investment activities	-794,954,150	-2,999,813,269	73.50	Decrease in investment payment
Net cash flow from financing activities	-3,937,996,211	973,885,835	-504.36	Repayment for liabilities
Closing balance of cash and cash equivalents	16,705,051,151	19,394,218,539	-13.87	Decrease in cash inflow
Liquidity ratio	1.48	1.65	-10.30	Decrease in current assets
Quick ratio	1.01	1.11	-9.36	Decrease in current assets
Asset-liability ratio	46.71%	50.67%	-7.82	Decrease in liabilities
EBITDA total debt ratio	10.74	7.59	41.54	
Interest cover ratio	2.26	4.95	-54.35	
Cash interest coverage ratio	3.55	3.81	-6.80	
EBITDA interest coverage ratio	4.23	6.51	-35.08	
Loan repayment rate	100%	100%		
Interest coverage	100%	100%		

IX. Assets at the end of the reporting period

Assets with restricted ownership rights or rights in use

Unit: Yuan Currency: RMB

Item	Book value at the end of the period	Reason for restriction
Cash and bank	3,975,457,310	Security deposit/ collateralised borrowing
Bills receivables	302,000,000	Pledged borrowing
Inventories	72,196,000	Security deposit
Fixed assets	666,093,338	Collateralised borrowing
Intangible assets	263,344,519	Collateralised borrowing
Other current assets	251,799,000	Pledged borrowing with bank's wealth management products
Total	5,530,890,167	/

X. Interest payment for other bonds and debt financing instruments

On 22 September 2015, the Company paid interest payable of the corporate bondson time during the period. For details, please refer to the relevant announcement published on the SSE (www.sse.com.cn) on 12 September 2015.

XI. Banking facilities during the reporting period

As of 31 December 2015, the Company (parent company of shares, the headquarters) was granted with total credit line from banks of RMB48.44 billion, RMB12.88 billion of which had been used and the balance was RMB35.56 billion.

XII. Performance of agreement or commitment provided in the bond prospectus during the reporting period

During the reporting period, the Company implemented the bond prospectus strictly and paid the interest of bonds on time without any prejudice to the interests of bond investors.

XIII. Effect of significant events of the Company on its operation and repayment

During the reporting period, no significant events of the Company occurred in accordance with the Article 45 of the Administrative Measures for the Issuance and Trading of Corporate Bonds.

General Meeting Overview

Session of the meeting	Date of convening	Reference of the website specified for Information disclosure	Publication date of resolutions
2014 First Extraordinary General Meeting	12 January 2015	Website of the SSE: www.sse.com.cn	13 January 2015
2014 Annual General Meeting	9 June 2015	Website of the SSE: www.sse.com.cn	10 June 2015

Explanation on shareholders' meeting:

In 2015, all proposals submitted to the annual general meeting and extraordinary general meeting of the Company were considered and approved.

Significant Events

I. Material litigation, arbitration and matters widely questioned by the media

Description and type	Query index
Announcement by Jiangxi Copper Co., Ltd. Concerning Its Subsidiary Implicated in Litigation	Disclosed on www.sse.com.cn of SSE on 23 March 2016

II. Embezzlement of funds and repayment of debt during the reporting period

Not applicable

III. Bankruptcy and restructuring

There were no relevant matters of bankruptcy and restructuring of the Company for the year.

IV. Equity incentive, employee stock ownership plan or other employee incentives and effects

Not applicable

V. Material connected transactions

(I) Connected transactions in relation to daily operations

1. Events not disclosed in extraordinary announcements

Unit: Yuan Currency: RMB

Connected Party	Nature of the Connection	Category of the connected transaction	Details of the connected transaction	Pricing policy of the connected transaction	Price of the connected transaction	Amount of the connected transaction	As a percentage of the amount involved in transactions of the same category *(%)*	Payment Terms of the connected transactions
JCC Group and its Subsidiaries	Controlling shareholder	Purchase of goods	Ancillary industrial products and other products	Market price or cost plus tax		165,450,453	6.31	Payment upon acceptance
JCC Group and its Subsidiaries	Controlling shareholder	Acceptance of agency services	Agency services	Industry standards		4,113,235	100	monthly payment
JCC Group and its Subsidiaries	Controlling shareholder	Acceptance of rights of use such as patent and trademark	Land use fee	Assessment price		166,664,514	100	Settlement at the end of year
JCC Group and its Subsidiaries	Controlling shareholder	Acceptance of services	Future good agent service fee	Market price		6,532,731	15.04	Payment upon completion of transaction
JCC Group and its Subsidiaries	Controlling shareholder	Other inflow	Interest charges for deposits	Based on the benchmark lending rate promulgated by the People's Bank of China or deposit terms no less favorable than the similar terms offered to JCC by other domestic financial institutions or credit cooperatives		12,872,789	100	Monthly or quarterly payment
JCC Group and its Subsidiaries	Controlling shareholder	Acceptance of services	Acceptance of repair and maintenance service	Industry standards		104,016,214	71.55	Monthly payment

Connected Party	Nature of the Connection	Category of the connected transaction	Details of the connected transaction	Pricing policy of the connected transaction	Price of the connected transaction	Amount of the connected transaction	As a percentage of the amount involved in transactions of the same category (%)	Payment Terms of the connected transactions
JCC Group and its Subsidiaries	Controlling shareholder	Acceptance of services	Labour services, such as loading and logistics services of goods	Market price		85,990,587	100	Monthly payment
JCC Group and its Subsidiaries	Controlling shareholder	Acceptance of services	Provision of logistics services	Market price		1,328,712	100	Monthly payment
JCC Group and its Subsidiaries	Controlling shareholder	Expenses of other utilities including water, electricity and gas (purchase)	Acceptance of environmental sanitation and greenery services	Shared in accordance with the proportion of staff		2,967,800	100	Monthly payment
JCC Group and its Subsidiaries	Controlling shareholder	Sale of goods	Copper rods and wires (tonne)	Market price	37,445	493,772,042	3.68	Payment upon acceptance
JCC Group and its Subsidiaries	Controlling shareholder	Sale of goods	Copper cathode (tonne)	Market price	34,755	520,196,372	1.28	Payment upon acceptance
JCC Group and its Subsidiaries	Controlling shareholder	Sale of goods	Lead materials (tonne)	Market price		47,460,768	100	Payment upon acceptance
JCC Group and its Subsidiaries	Controlling shareholder	Sale of goods	Zinc concentrates (tonne)	Market price		26,497,653	100	Payment upon acceptance
JCC Group and its Subsidiaries	Controlling shareholder	Sale of goods	Copper waste (tonne)	Market price		3,266,252	1.96	Monthly payment
JCC Group and its Subsidiaries	Controlling shareholder	Sale of goods	Sale of ancillary industrial products	Market price		149,284,101	4.7	Monthly payment
JCC Group and its Subsidiaries	Controlling shareholder	Loans	Provision of loan interests	Based on the benchmark lending rate promulgated by the People's Bank of China or deposit terms no less favorable than the similar terms offered to JCC by other domestic financial institutions or credit cooperatives		979,046,474	100	Payment on terms set out in the loan agreement

Connected Party	Nature of the Connection	Category of the connected transaction	Details of the connected transaction	Pricing policy of the connected transaction	Price of the connected transaction	Amount of the connected transaction	As a percentage of the amount involved in transactions of the same category (%)	Payment Terms of the connected transactions
JCC Group and its Subsidiaries	Controlling shareholder	Loans	Provision of loan interests	Based on the benchmark lending rate promulgated by the People's Bank of China or deposit terms no less favorable than the similar terms offered to JCC by other domestic financial institutions or credit cooperatives		44,548,036	100	Monthly or quarterly payment
JCC Group and its Subsidiaries	Controlling shareholder	Expenses of other utilities including water, electricity and gas (sale)	Electricity supply	Cost plus tax		31,262,795	100	Monthly payment
JCC Group and its Subsidiaries	Controlling shareholder	Provision of services	Construction services	Industry standards		147,987,114	92.65	Monthly payment
JCC Group and its Subsidiaries	Controlling shareholder	Provision of services	Provision of equipment, design and installation services	Industry standards		394,872	100	Monthly payment
JCC Group and its Subsidiaries	Controlling shareholder	Provision of services	Provision of repair and maintenance services	Industry standards		14,752,642	75.58	Monthly payment
JCC Group and its Subsidiaries	Controlling shareholder	Provision of services	Provision of logistics services	Standard passenger and cargo rates of Jiangxi Province		7,571,093	49.51	Monthly payment
JCC Group and its Subsidiaries	Controlling shareholder	Provision of services	Provision of miscellaneous services	Industry standards		19,380,572	100	Payment on agreement
JCC Group and its Subsidiaries	Controlling shareholder	Expenses of other utilities including water, electricity and gas (sale)	Rental from provision of public utilities	Shared on a cost basis in accordance with the proportion of staff		11,645,402	80.12	Monthly payment
Total				/	/	3,047,003,223	–	/

During the report period, the main and recurring connected transactions between the Company and its connected parties amounted to RMB3,047,000,000, including purchase transaction of RMB382,000,000 and selling transaction of RMB2,665,000,000.

The aforementioned connected transactions were transactions made pursuant to the agreement entered into by the Company and JCC Group on 27 August 2014 and have been reviewed by independent non-executive Directors of the Company: (i) the transactions have been entered into by the Company in the ordinary and usual course of the Company's business; (ii) the transactions have been entered into on normal commercial terms or on terms same as or no less favorable than terms available to or from independent third parties; and (iii) the transactions have been carried out pursuant to relevant transaction agreements which were on fair and reasonable terms so far as the shareholders of the Company are concerned and were in the interests of the shareholders of the listed company as a whole.

Zhejiang Jiangtong Fuye Heding Copper Co., Ltd. (浙江江銅富冶和鼎銅業有限公司), a subsidiary of the Company, entered into a mutual guarantees agreement with Zhejiang Fuye Group Co., Ltd. (浙江富冶集團有限公司) (its controlling shareholder), Xuancheng Quanxin Mining Co., Ltd. (宣城全鑫礦業有限公司) and Hangzhou Fuyang Yuanhe Industrial Co., Ltd. (杭州富陽緣和實業有限公司)(the rest of its shareholders) on 15 September 2015, pursuant to which the parties conditionally agreed to grant certain guarantees to each other. The maximum aggregate amount of guarantee shall be RMB1.5 billion with a term of each loan guaranteed not exceeding one year.

The Company believes that by sharing production facilities and technologies of each other with JCC and taking advantages in proximity, it is necessary for the Company and JCC to provide or accept supply or sales of industrial goods from each other on an ongoing basis. The agreements governing connected transactions were entered into with a view to satisfy the Company's actual needs from its production and operation. The pricing policies for the connected transactions between the Company and JCC were determined based on the priority from State price, industry price, market price to cost plus tax. The Company's connected transactions were settled by cash in time after acceptance of goods or provision of services.

The auditors of the Company were appointed to conduct reports for connected transactions of the Group in accordance with "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" conducted by Hong Kong Standard on Assurance Engagements 3000 and with reference to the Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. Auditors has issued a letter confirming that the continuing connected transactions for the year ended 31 December 2015 (i) were approved by the Board, (ii) were carried out in accordance with the Group's pricing policy for the transactions that involved the provision of products and services by the Company, (iii) were entered into in accordance with the relevant agreements governing such transactions, and (iv) did not exceed the caps as announced by the Company for the continuing connected transactions in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

Besides, the transactions between the Company and Zhejiang Jiangtong Fuye Heding Copper Co., Ltd. (浙江江銅富冶和鼎銅業有限公司), its associate (January-September), as well as Jiangxi JCC-BIOTEQ Environmental Technologies Company Limited (江西省江銅百泰環保科技有限公司), its joint venture, amounted to RMB18,071,000 and RMB62,003,000 respectively.

(II) Connected transaction from assets or equity acquisition or sale

1. Events not disclosed in extraordinary announcements

Not applicable

2. Where agreed results are involved, the results in the reporting period shall be disclosed.

Not applicable

(III) Material connected transactions of joint overseas investment

Not applicable

(IV) Connected claim and debt

Not applicable

VI. Material Contracts and their performance

(1) Custody, contracts and leases

Not applicable

(2) Guarantees

During the reporting period, the guarantee provided by Zhejiang Jiangtong Fuye Heding Copper Co., Ltd., a subsidiary of the Company, to Zhejiang Fuye Group Co., Ltd. amounted to RMB936 million.

Unit: 00'000'000 Currency: RMB

External guarantees (excluding guarantees for subsidiaries)

Guarantor	Relation between the Guarantor and the listed company	The guaranteed	Guarantee amount	Guarantee date (execution date of the contract)	Start date of guarantee	End date of guarantee	Type of guarantee	Guarantee fulfilled or not	Guarantee overdue or not	Amount of overdue guarantee	Counter guarantee available or not	Related party guarantee or not	Nature of connection
Zhejiang Jiangtong Fuye Heding Copper Co., Ltd.	Controlling subsidiary	Zhejiang Fuye Group Co., Ltd.	9.36	15 September 2015	1 October 2015	31 December 2016	General guarantee	No	No	0	No	Yes	Other connected person

Total guarantee amount during the reporting period (excluding guarantees for subsidiaries)	9.36
Total balance of guarantee at the end of reporting period (A) (excluding guarantees for subsidiaries)	9.36

Guarantees of the Company and its subsidiaries for subsidiaries

Total guarantee amount for subsidiaries during the reporting period	0
Total balance of guarantees for subsidiaries at the end of reporting period (B)	0

Total guarantee amount (including guarantees for subsidiaries)

Total guarantee amount (A+B)	9.36
Proportion of total guarantee amount to net assets of the Company *(%)*	2.03
Including:	
Guarantee amount provided for the shareholders, de facto controller and related parties (C)	0
Guarantee amount for liabilities provided directly or indirectly for the guarantees with asset-liability ratio over 70% (D)	0
Total guarantee amount over 50% of net assets (E)	0
Total of the above guarantee amount (C+D+E)	0
Explanation on possible joint and several liability for liabilities settlement in case of outstanding guarantee	No
Explanation on guarantee	No

(III) Entrusted cash assets management

1. Trust investment

Not applicable

2. Trust loan

Not applicable

3. Other wealth management and derivative investment

Not applicable

(IV) Other Material contracts

There are no other material contracts of the Company for the year.

Significant Events

VII. Performance of undertakings

(I) Undertakings given by the Company, shareholders, de facto controller, purchaser, director, supervisor, senior management or other related party during or subsisted to the reporting period

Background of undertakings	Types of Undertakings	Party of undertakings	Details of the undertakings	The time and term of the undertakings	Whether there is time limit of performance	Whether it was fulfilled strictly in a timely manner	Specify when not performing the undertakings timely and reasons for not performing the undertakings timely	Specify the plan if not performing the undertakings timely
Undertaking related to share restructuring								
Undertaking made in the takeover report or report of changes in equity								
Undertaking related to significant asset restructuring								
Undertaking related to initial public offering	Others	Jiangxi Copper Corporation	See note 1	Date of the undertaking: 22 May 1997 Term: Long term	Yes	Yes	N/A	N/A
Undertaking related to refinancing								
Undertaking in relation to share incentive								
Other undertakings	Dividend	Jiangxi Copper Company Limited	See note 2	Date of the undertaking: 3 August 2012 Term: 3 years (2012-2014)	Yes	Yes	N/A	N/A

Note 1:

1. Under the Company Law of the PRC, the Company has fully independent control over its production and operations. JCC has undertaken not to interfere with the daily operations and decisions of the Company, unless such actions are performed through the Board of the Company.

2. (I) During the period where JCC held 30% or more voting rights of the share capital of the Company, JCC shall use its best endeavors to ensure the independence of the Board of the Company pursuant to the requirements set out by the London Stock Exchange and Hong Kong Stock Exchange. Further, JCC shall ensure that independent directors (namely those independent of JCC and China National Nonferrous Metals Industry Corporation) shall constitute a majority of the Board of the Company.

(II) During the period where JCC held 30% or more voting rights of the share capital of the Company, JCC shall exercise its voting rights to ensure that no amendment to the Articles of Association of the Company that may impact the independence thereof shall be made.

3. During the period where JCC held 30% or more voting rights of the share capital of the Company, JCC, its subsidiaries and connected companies (including the companies, enterprises and businesses controlled by it, except those controlled through the Company) shall not engage in any activities or businesses that are or may be in direct or indirect competition with the Company.

4. JCC has undertaken to assist the Company in obtaining approvals from government agencies with respect to the businesses thereof.

5. In the event that JCC carries out such actions as transfers and disposal regarding the land use rights of Dexing Copper Mine, Yongping Copper Mine and Guixi Smelter, the Company shall have the preemptive right.

Note 2: Details of dividend undertakings

1. The Company can distribute dividend by way of cash, scrip or the combination of cash and scrip; and can distribute interim dividend according to the actual profitability and the capital requirement of the Company;

2. According to the provisions of the laws, regulations and the Articles of Association, conditional upon the cumulative distributable profits being positive after making up of the losses, deduction of the statutory reserve fund and provident fund in full amount, and having sufficient profits and cash to support the normal production and operation of the Company, in each year, the profit distribution by way of cash shall be not less than 10% of the distributable profits realized for the year, and the accumulated distributable profit distributed by way of cash in the last three years shall be not less than 30% of the average annual distributable profits realized in the last three years;

3. In addition to satisfying the minimum cash dividend distribution, the Company can implement distribution by way of scrip dividend. The proposal for distribution by way of scrip dividend should be proposed by the Board and put forward to the shareholders' meeting for approval.

(II) Profit predictions were made for the assets or project of the Company and the reporting period fell in the prediction period of profit, the Company gave an explanation of its assets or projects meeting the original profit prediction and of the reasons

Not applicable

VIII. Appointment and removal of the auditors

Unit: 0'000 Currency:RMB

	Current Auditors
Name of domestic auditor	Deloitte Touche Tohmatsu Certified Public Accountants LLP (Special General Partnership)
Remuneration for domestic auditor	1,044
Years of audit services provided by the domestic auditor	1 year
Name of overseas auditor	Deloitte Touche Tohmatsu
Remuneration for overseas auditor	66.72
Years of audit services provided by the overseas auditor	1 year

	Name	**Remuneration**
The auditor for auditing the internal control	Deloitte Touche Tohmatsu Certified Public Accountants LLP (Special General Partnership)	0

Pursuant to the resolutions made at the seventh meeting of the seventh session of the Board, the Company continued to appoint Deloitte Touche Tohmatsu Certified Public Accountants LLP and Deloitte Touche Tohmatsu as overseas and domestic auditors respectively for one year in 2016.

The Company did not have the appointed accounting firms changed in the past three years.

IX. Punishment on the listed company and its directors, supervisors, senior management, controlling shareholder, de facto controller, and the purchaser and rectification

None of the Company, directors, supervisors, senior management, controlling shareholder, de facto controller and the purchaser was subject to checks by the CSRC or any administrative punishments, nor had they been criticized in any way or publicly reprimanded by any stock exchange.

X. Credit conditions of the Company and its controlling shareholders, de facto controllers during the reporting period

During the reporting period, the Company's controlling shareholder operated with honest without unfulfilled effective verdicts of the court, large amount of outstanding matured liabilities and other dishonest behaviors.

XI. Particulars of convertible bond of the Company

Not applicable

XII. Description on other significant events

Not applicable

XIII. Active performance of social responsibility

(I) Social Responsibility efforts

Please refer to the 2015 Social Responsibility Report of Jiangxi Copper Company Limited published on www.sse.com.cn on 26 March 2016 for details.

(II) Statements on environmental protection of listed company and its subsidiaries falling into the category of heavily polluting industries designated by national environmental authorities

Not applicable

XIV. Assets Secured of the Group

As at 31 December 2015, assets of the Group amounting to the net book value of RMB2,217.07 million were pledged for securing certain bank loans, including the pledged deposits of RMB955.84 million (31 December 2014: RMB3,455.52 million), accepted bank notes and bank wealth management products of RMB331.80 million (31 December 2014: RMB1,182.99 million), pledged buildings of RMB172.21 million (31 December 2014: RMB19.45 million), pledged machinery and equipment of RMB493.88 million (31 December 2014: nil) and pledged land use right of RMB263.34 million (31 December 2014: RMB9 million). As at 31 December 2015, the Group had no pledged trade receivables (31 December 2014: RMB557.00 million) or pledged inventories (31 December 2014: RMB533.34 million).

XV. FOREIGN EXCHANGE RISK

The reporting currency of the Group is Renminbi. Where any transactions in foreign currencies of the Company are incurred, amounts in foreign currencies are translated into RMB at the middle market exchange rates at the beginning of the transaction month. Year-end balances in foreign currency account are retranslated at the market exchange rates at the year end.

Although currently RMB is not a currency that is freely convertible in the PRC, The Chinese government is taking initiatives for exchange reform and adjustments to exchange rate. Exchange rate fluctuations will have an impact on the Group's balance of foreign exchange revenue and spending or dividends payable denominated in Hong Kong dollars or other currencies. However, the Group believes that it is able to obtain sufficient foreign exchange to satisfy its foreign exchange revenue and spending.

The Group's operations are mainly in the PRC. Except for export sales, which are mainly transacted in US dollars, the Group currently receives its sales revenue mainly in Renminbi. The Group's exposure to exchange rate fluctuations results primarily from the sales of products and purchase of raw materials in foreign currencies.

XVI. CONTINGENT LIABILITIES

As at 31 December 2015, the Group did not have any material contingent liabilities.

Deloitte.
德勤

TO THE SHAREHOLDERS OF JIANGXI COPPER COMPANY LIMITED
江西銅業股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)

We have audited the consolidated financial statements of Jiangxi Copper Company Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 105 to 211, which comprise the consolidated statement of financial position as at 31 December 2015, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the applicable disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion 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. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Independent Auditor's Report

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2015 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in compliance with the applicable disclosure requirements of the Hong Kong Companies Ordinance.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
22 March 2016

Consolidated Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 31 DECEMBER 2015
(PREPARED IN ACCORDANCE WITH IFRS)

	NOTES	2015 RMB'000	2014 RMB'000
Revenue	5	**185,228,170**	198,264,175
Cost of sales		**(181,453,624)**	(192,542,742)
Gross profit		**3,774,546**	5,721,433
Other income	6	**1,125,617**	1,085,688
Other gains and losses	7	**77,729**	482,026
Selling and distribution expenses		**(515,356)**	(547,007)
Administrative expenses		**(2,040,539)**	(1,876,310)
Finance costs	8	**(923,327)**	(977,405)
Share of results of joint ventures		**(39,266)**	(22,248)
Share of results of associates		**(243,012)**	46,195
Profit before taxation		**1,216,392**	3,912,372
Taxation	9	**(477,741)**	(1,013,108)
Profit for the year	10	**738,651**	2,899,264
Other comprehensive income (expense)			
Items that may be subsequently reclassified to profit or loss:			
Fair value change on hedging instruments designated in cash flow hedges		**255,353**	111,190
Reclassification adjustments relating to transfer of cash flow hedges		**(295,438)**	(66,826)
Fair value change on available-for-sale investments		**1,764**	81
Share of exchange differences of associates		**165,272**	8,743
Share of exchange differences of joint ventures		**2,917**	(9,833)
Exchange differences arising on translation		**44,105**	6,732
Income tax relating to components of other comprehensive income		**6,182**	(5,473)
Other comprehensive income for the year (net of tax)		**180,155**	44,614
Total comprehensive income for the year		**918,806**	2,943,878

Consolidated Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 31 DECEMBER 2015
(PREPARED IN ACCORDANCE WITH IFRS)

	NOTE	**2015**	2014
		RMB'000	*RMB'000*
Profit for the year attributable to:			
Owners of the Company		**689,556**	2,899,091
Non-controlling interests		**49,095**	173
		738,651	2,899,264
Total comprehensive income attributable to:			
Owners of the Company		**867,680**	2,943,600
Non-controlling interests		**51,126**	278
		918,806	2,943,878
Earnings per share	13		
Basic and diluted		**RMB0.20**	RMB0.84

Consolidated Statement of Financial Position

AT 31 DECEMBER 2015
(PREPARED IN ACCORDANCE WITH IFRS)

	NOTES	2015 RMB'000	2014 RMB'000
Non-current assets			
Property, plant and equipment	14	**21,446,841**	20,503,823
Investment properties	15	**352,526**	357,874
Prepaid lease payments	16	**1,221,393**	924,763
Intangible assets	17	**1,144,156**	830,475
Exploration and evaluation assets	18	**530,191**	771,890
Interests in associates	19	**2,564,586**	2,927,302
Interests in joint ventures	20	**338,027**	372,153
Other investments	27	**–**	100,000
Available-for-sale investments	21	**835,249**	1,068,529
Deferred tax assets	22	**918,707**	683,956
Deposits for property, plant and equipment		**347,427**	65,031
		29,699,103	28,605,796
Current assets			
Inventories	23	**13,368,855**	14,190,219
Trade and bills receivables	24	**14,205,827**	17,344,604
Prepayments, deposits and other receivables	26	**6,930,203**	6,137,786
Other investments	27	**311,799**	1,140,000
Loans to fellow subsidiaries	28	**945,209**	878,585
Prepaid lease payments	16	**25,078**	18,371
Available-for-sale investments	21	**2,812,500**	1,263,000
Held-for-trading financial assets		**156,947**	48,159
Derivative financial instruments	29	**615,000**	350,885
Restricted bank deposits	30	**3,975,457**	5,944,645
Bank balances and cash	30	**16,705,051**	19,394,219
		60,051,926	66,710,473
Current liabilities			
Trade and bills payables	31	**8,575,020**	10,948,492
Other payables and accruals	32	**4,687,627**	4,192,693
Deposits from holding company and fellow subsidiaries	33	**1,611,576**	879,792
Deferred revenue – government grants	34	**48,988**	35,723
Derivative financial instruments	29	**210,708**	273,946
Held-for-trading financial liabilities	35	**1,758,825**	2,416,717
Tax payable		**351,625**	803,008
Bonds payable	37	**6,554,733**	–
Bank borrowings	36	**16,704,886**	20,929,923
		40,503,988	40,480,294
Net current assets		**19,547,938**	26,230,179
Total assets less current liabilities		**49,247,041**	54,835,975

Consolidated Statement of Financial Position

AT 31 DECEMBER 2015

(PREPARED IN ACCORDANCE WITH IFRS)

	NOTES	**2015** **RMB'000**	2014 RMB'000
Non-current liabilities			
Bonds payable	37	**–**	6,246,297
Bank borrowings	36	**347,600**	680,454
Provision for rehabilitation	38	**165,695**	122,465
Employee benefit liability	39	**149,551**	187,480
Deferred revenue – government grants	34	**634,159**	472,978
Other long-term payables	40	**11,735**	12,491
Deferred tax liabilities	22	**109,000**	93,646
		1,417,740	7,815,811
		47,829,301	47,020,164
Capital and reserves			
Share capital	41	**3,462,729**	3,462,729
Reserves		**42,439,628**	42,265,221
Equity attributable to owners of the Company		**45,902,357**	45,727,950
Non-controlling interests		**1,926,944**	1,292,214
		47,829,301	47,020,164

The consolidated financial statements on pages 105 to 211 were approved and authorised for issue by the Board of Directors on 22 March 2016 and are signed on its behalf by:

Li Baomin
Director

Long Ziping
Director

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 31 DECEMBER 2015
(PREPARED IN ACCORDANCE WITH IFRS)

	Attributable to owners of the Company													
	Share capital *RMB'000*	Share premium *RMB'000*	Capital reserve *RMB'000* *(Note a)*	Other reserve *RMB'000* *(Note b)*	Statutory surplus reserve *RMB'000* *(Note c)*	Discret-ionary surplus reserve *RMB'000* *(Note c)*	Safety funds surplus reserve *RMB'000* *(Note d)*	Hedging reserve *RMB'000*	Translation reserve *RMB'000*	Proposed dividends *RMB'000*	Retained profits *RMB'000*	Sub-total *RMB'000*	Non-controlling interests *RMB'000*	Total *RMB'000*
At 1 January 2014	3,462,729	12,647,502	(902,113)	(92,506)	4,067,429	9,647,574	228,173	(2,023)	(340,216)	1,731,365	14,067,801	44,515,715	1,116,707	45,632,422
Profit for the year	–	–	–	–	–	–	–	–	–	–	2,899,091	2,899,091	173	2,899,264
Other comprehensive income for the year	–	–	–	61	–	–	–	38,911	5,537	–	–	44,509	105	44,614
Total comprehensive income for the year	–	–	–	61	–	–	–	38,911	5,537	–	2,899,091	2,943,600	278	2,943,878
Acquisition of a subsidiary	–	–	–	–	–	–	–	–	–	–	–	–	250,000	250,000
Dividend paid to non-controlling interests	–	–	–	–	–	–	–	–	–	–	–	–	(74,771)	(74,771)
Dividends declared	–	–	–	–	–	–	–	–	–	(1,731,365)	–	(1,731,365)	–	(1,731,365)
Dividends proposed	–	–	–	–	–	–	–	–	–	692,546	(692,546)	–	–	–
Transfer between categories	–	–	–	–	388,925	–	47,301	–	–	–	(436,226)	–	–	–
At 31 December 2014	3,462,729	12,647,502	(902,113)	(92,445)	4,456,354	9,647,574	275,474	36,888	(334,679)	692,546	15,838,120	45,727,950	1,292,214	47,020,164
Profit for the year	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**689,556**	**689,556**	**49,095**	**738,651**
Other comprehensive income (expense) for the year	**–**	**–**	**–**	**3,803**	**–**	**–**	**–**	**(35,942)**	**210,263**	**–**	**–**	**178,124**	**2,031**	**180,155**
Total comprehensive income (expense) for the year	**–**	**–**	**–**	**3,803**	**–**	**–**	**–**	**(35,942)**	**210,263**	**–**	**689,556**	**867,680**	**51,126**	**918,806**
Acquisition of a subsidiary	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**606,489**	**606,489**
Dividend paid to non-controlling interests	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(22,400)**	**(22,400)**
Dividends declared	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(692,546)**	**–**	**(692,546)**	**–**	**(692,546)**
Dividends proposed	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**346,273**	**(346,273)**	**–**	**–**	**–**
Staff bonus and welfare fund declared	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(727)**	**(727)**	**(485)**	**(1,212)**
Transfer between categories	**–**	**–**	**–**	**–**	**133,429**	**–**	**50,435**	**–**	**–**	**–**	**(183,864)**	**–**	**–**	**–**
At 31 December 2015	**3,462,729**	**12,647,502**	**(902,113)**	**(88,642)**	**4,589,783**	**9,647,574**	**325,909**	**946**	**(124,416)**	**346,273**	**15,996,812**	**45,902,357**	**1,926,944**	**47,829,301**

Notes:

(a) Capital reserve arise from (i) the difference between the amount by which the non-controlling interests are adjusted and the consideration paid and received for the acquisition of additional interest in a subsidiary and the partial disposal of a subsidiary without losing control; (ii) the difference between the cash consideration paid, shares issued by the Company and the amount of the registered capital of the combined entities under group reorganisations; and (iii) the excess of the value of the net assets immediately before the establishment of the Company injected into the Company by Jiangxi Copper Corporation, a holding company of the Company, as part of group reorganisations which was determined by the valuer in the People's Republic of China (the "PRC") and was approved by the State Assets Administration Bureau over the nominal value of the shares issued upon establishment of the Company.

(b) Other reserve represents the difference in value of certain assets and liabilities included in the net assets injected into the Company pursuant to group reorganisations calculated in accordance with International Financial Reporting Standards and the valuation of assets and liabilities performed by the PRC valuer in accordance with relevant PRC standards and regulations, which valuation was confirmed by the State Assets Administration Bureau.

(c) The Company shall appropriate to the statutory surplus reserve at 10% of its profit after taxation calculated in accordance with the PRC accounting standards and regulations and the articles of association of the Company. The appropriation may cease to apply if the balance of the statutory surplus reserve has reached 50% of the Company's registered capital. In addition, the Company's articles of association also allow the Company to transfer a certain amount of profit after taxation and after appropriations to the statutory surplus reserve, subject to shareholders' approval, to the discretionary surplus reserve. Accordingly to the Company's articles of association, the statutory surplus reserve and discretionary surplus reserve can be used to make up prior year losses, to expand production operation or to increase share capital. The Company may capitalise the statutory surplus reserve and discretionary surplus reserve by way of bonus issues provided that the amount of the statutory surplus reserve remaining after such an appropriation shall not be less than 25% of the original registered capital of the Company.

(d) The Group is required to make appropriations in accordance with CaiQi [2006] No. 478 "Tentative measures for the financial management of the production safety fund for the high risk enterprises" that is issued by the Ministry of Finance and the Safety Production General Bureau. The reserve is for future enhancement of safety production environment and improvement of facilities and is not available for distribution to shareholders.

Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 31 DECEMBER 2015
(PREPARED IN ACCORDANCE WITH IFRS)

	2015	2014
	RMB'000	*RMB'000*
Operating activities		
Profit before taxation	**1,216,392**	3,912,372
Adjustments for:		
Interest expenses	**923,327**	977,405
Depreciation for property, plant and equipment	**1,567,260**	1,462,052
Impairment losses on property, plant and equipment	**–**	30,088
Depreciation of investment properties	**7,284**	4,077
Amortisation of prepaid lease payments	**31,908**	18,731
Amortisation of intangible assets	**44,158**	41,017
Loss on disposal of property, plant and equipment	**26,565**	39,649
Share of results of associates	**243,012**	(46,195)
Share of results of joint ventures	**39,266**	22,248
Impairment loss on available-for-sale investments	**369**	1,631
Impairment loss on trade and other receivables	**437,996**	981,988
Impairment loss on loans to fellow subsidiaries	**380**	4,415
Release of deferred income	**(51,716)**	(38,035)
Allowance for inventories	**16,600**	371,233
Net change in rehabilitation provision	**43,230**	(26,158)
Income from available-for-sale investments	**(226,924)**	(203,523)
Income from other investments	**(90,972)**	(123,470)
Fair value change on commodity derivative contracts	**(221,877)**	(1,237,269)
Fair value change on provisional price arrangement	**10,748**	(4,616)
Fair value change on foreign currency forward contracts and interest rate swaps	**(121,163)**	(7,220)
Fair value change on held-for-trading financial liabilities	**(95,023)**	71,995
Fair value change on held-for-trading financial assets	**(31,072)**	707
Gain on disposal of a subsidiary	**(278,015)**	–
Operating cash flows before movements in working capital	**3,491,733**	6,253,122
Increase in deposits from holding company and fellow subsidiaries	**731,784**	272,262
Decrease in inventories	**1,489,006**	122,519
Decrease (increase) in trade and other receivables	**1,730,097**	(3,872,650)
(Decrease) increase in trade and other payables	**(4,026,290)**	279,438
Cash generated from operations	**3,416,330**	3,054,691
Income tax paid	**(1,148,168)**	(1,314,828)
Net cash from operating activities	**2,268,162**	1,739,863

Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 31 DECEMBER 2015
(PREPARED IN ACCORDANCE WITH IFRS)

	NOTES	**2015** **RMB'000**	2014 RMB'000
Investing activities			
Proceeds from disposal of available-for-sale investments		**2,866,856**	12,034,468
Proceeds from disposal of other investments		**1,140,000**	750,000
(Payment) receipt on available-for-sale investments		**(15,520)**	153,222
Government grants received		**206,057**	136,852
Income from other investments		**–**	133,743
Proceeds from disposal of property, plant and equipment		**8,229**	103,524
Income from derivative financial instruments		**227,172**	102,258
Dividend received from available-for-sale investments		**34,410**	20,250
Dividend received from a joint venture		**3,000**	–
Acquisition of a subsidiary	42(a)	**589,458**	2,374
Proceeds from disposal of a subsidiary	42(b)	**302,412**	–
Income from held-for-trading assets		**–**	14
Purchase of available-for-sale investments		**(4,177,500)**	(12,326,399)
Purchases of property, plant and equipment		**(1,313,925)**	(2,259,201)
Decrease (increase) in restricted bank deposits		**2,469,879**	(1,618,693)
Loans to fellow subsidiaries		**(67,004)**	(883,000)
Investments in a joint venture		**(9,222)**	(383,876)
Purchase of other investments		**(10,000)**	(140,000)
Investments in associates		**(92,000)**	(219,966)
Purchase of exploration and evaluation assets		**(93,332)**	(106,645)
Purchases of prepaid lease payments		**(20,109)**	(74,568)
Deposits paid for property, plant and equipment		**(347,427)**	(65,031)
Purchase of intangible assets		**(11,419)**	(7,094)
Purchase of investment properties		**–**	(5,267)
Net cash from (used in) investing activities		**1,690,015**	(4,653,035)
Financing activities			
New bank borrowings raised		**26,749,015**	33,419,665
Proceeds from held-for-trading financial liabilities		**1,816,031**	2,363,698
Repayment of bank borrowings		**(31,268,768)**	(27,676,825)
Repayment of held-for-trading financial liabilities		**(2,952,111)**	(3,101,961)
Dividends paid		**(692,546)**	(1,731,365)
Interest paid		**(417,840)**	(575,748)
Staff bonus and welfare declared		**(485)**	–
Dividends paid to non-controlling interests		**(22,400)**	(74,771)
Net cash (used in) from financing activities		**(6,789,104)**	2,622,693
Net decrease in cash and cash equivalents		**(2,830,927)**	(290,479)
Cash and cash equivalents at the beginning of the year		**19,394,219**	19,666,162
Effect of foreign exchange rate changes		**141,759**	18,536
Cash and cash equivalents at the end of the year, representing bank balances and cash		**16,705,051**	19,394,219

1. GENERAL

The Company was registered in the People's Republic of China (the "PRC") as a joint stock limited company. The registration number of the Company's business licence is Qi He Gan Zhong Zi 003556. The Company was established on 24 January 1997 by Jiangxi Copper Corporation ("JCC"), Hong Kong International Copper Industry (China) Investment Limited, Shenzhen Baoheng (Group) Company Limited, Jiangxi Xinxin Company Limited and Hubei Sanxin Gold & Copper Company Limited, and approved by Jiangxi Province's Administrative Bureau for Industry and Commerce. The Company's H shares and A shares were listed on The Stock Exchange of Hong Kong Limited and the Shanghai Stock Exchange, respectively. The head office of the Company is located at No. 7666, Chongdong Road, Nanchang City, Jiangxi Province, the PRC. The Company's holding company is JCC, and the ultimate controlling party is the State-owned Assets Supervision & Administration Commission of the People's Government of Jiangxi Province.

The Group is an integrated producer of copper in the PRC. Its operations consist of copper mining, milling, smelting and refining for the production of copper cathodes, copper rods and wires and other related products, including pyrite concentrates, sulphuric acid, and electrolytic gold and silver, and rare metals such as molybdenum, and trading of copper related products, etc.

The activities of its principal subsidiaries, associates and joint ventures are set out in notes 47, 19 and 20 respectively.

The consolidated financial statements are presented in Renminbi ("RMB") which is the functional currency of the Company.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs")

The Group has applied the following amendments to IFRSs issued by the International Accounting Standards Board (the "IASB") for the first time in the current year:

Amendments to IAS 19	Defined benefit plans: Employee contributions
Amendments to IFRSs	Annual improvements to IFRSs 2010-2012 cycle
Amendments to IFRSs	Annual improvements to IFRSs 2011-2013 cycle

The application of the amendments to IFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or the disclosures set out in these consolidated financial statements.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs") *(Continued)*

The Group has not early applied the following new and revised IFRSs that have been issued but are not yet effective:

IFRS 9	Financial instruments[1]
IFRS 14	Regulatory deferral accounts[2]
IFRS 15	Revenue from contracts with customers[1]
IFRS 16	Leases[3]
Amendments to IFRS 11	Accounting for acquisitions of interests in joint operations[4]
Amendments to IAS 1	Disclosure initiative[4]
Amendments to IAS 16 and IAS 38	Clarification of acceptable methods of depreciation and amortisation[4]
Amendments to IFRSs	Annual improvements to IFRSs 2012-2014 cycle[4]
Amendments to IAS 16 and IAS 41	Agriculture: Bearer plants[4]
Amendments to IAS 27	Equity method in separate financial statements[4]
Amendments to IFRS 10 and IAS 28	Sale or contribution of assets between an investor and its associate or joint venture[5]
Amendments to IFRS 10, IFRS 12 and IAS 28	Investment entities: Applying the consolidation exception[4]
Amendments to IAS 7	Disclosure initiative[6]
Amendments to IAS 12	Recognition of deferred tax assets for unrealised losses[6]

1 Effective for annual periods beginning on or after 1 January 2018.

2 Effective for first annual IFRS financial statements beginning on or after 1 January 2016.

3 Effective for annual periods beginning on or after 1 January 2019.

4 Effective for annual periods beginning on or after 1 January 2016.

5 Effective for annual periods beginning on or after a date to be determined.

6 Effective for annual periods beginning on or after 1 January 2017.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs") *(Continued)*

IFRS 9 "Financial instruments"

IFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets. IFRS 9 was subsequently amended in 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in 2013 to include the new requirements for general hedge accounting. Another revised version of IFRS 9 was issued in 2014 mainly to include (a) impairment requirements for financial assets and (b) limited amendments to the classification and measurement requirements by introducing a fair value through other comprehensive income ("FVTOCI") measurement category for certain simple debt instruments.

Key requirements of IFRS 9:

- All recognised financial assets that are within the scope of IAS 39 "Financial instruments: Recognition and measurement" are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under IAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

- In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("IFRSs") *(Continued)*

IFRS 9 "Financial instruments" *(Continued)*

- The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in IAS 39. Under IFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the retrospective of quantitative effectiveness test has been removed. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The directors of the Company anticipate that the application of IFRS 9 in the future may have a material impact on amounts reported in respect of the Group's financial assets in respect of available-for-sale investments. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

IFRS 15 "Revenue from contracts with customers"

IFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 "Revenue", IAS 11 "Construction contracts" and the related interpretations when it becomes effective.

The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("IFRSs") *(Continued)*

IFRS 15 "Revenue from contracts with customers" *(Continued)*

The directors of the Company anticipate that the application of IFRS 15 in the future may have a material impact on the amounts reported and disclosures made in the Group's consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 15 until the Group performs a detailed review.

The directors of the Company anticipate that the application of the other new and revised IFRSs will have no material impact on the consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with IFRSs. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance ("CO").

The provisions of the new Hong Kong Companies Ordinance (Cap. 622) regarding preparation of accounts and directors' reports and audits became effective for the Company for the financial year ended 31 December 2015. Further, the disclosure requirements set out in the Listing Rules regarding annual accounts have been amended with reference to the new CO and to streamline with HKFRSs. Accordingly the presentation and disclosure of information in the consolidated financial statements for the financial year ended 31 December 2015 have been changed to comply with these new requirements. Comparative information in respect of the financial year ended 31 December 2014 are presented or disclosed in the consolidated financial statements based on the new requirements. Information previously required to be disclosed under the predecessor CO or Listing Rules but not under the new CO or amended Listing Rules are not disclosed in these consolidated financial statements.

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments, that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2 "Share-based payment", leasing transactions that are within the scope of IAS 17 "Leases", and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 "Inventories" or value in use in IAS 36 "Impairment of assets".

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Basis of consolidation *(Continued)*

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Basis of consolidation *(Continued)*

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest; and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 "Income taxes" and IAS 19 "Employee benefits" respectively;

- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 "Share-based payment" at the acquisition date; and

- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 "Non-current assets held for sale and discontinued operations" are measured in accordance with that standard.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Business combinations *(Continued)*

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after re-assessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation is initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction by transaction basis. Other types of non-controlling interests are measured at their fair value or, when applicable, on the basis specified in another IFRS.

Interests in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Appropriate adjustments have been made to conform the associate's and the joint venture's accounting policies of the Group. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Interests in associates and a joint venture *(Continued)*

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of IAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 "Impairment of assets" as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold in the normal course of business, net of sales related taxes.

Revenue from the sale of goods is recognised when the goods are delivered and title have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Revenue recognition *(Continued)*

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences arising on monetary items are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. RMB) using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from "profit before tax" as reported in the consolidated statement of profit or loss and other comprehensive income because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Property, plant and equipment

Property, plant and equipment including buildings held for use in the production or supply of goods or services, or for administrative purposes (other than construction in progress) are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment other than construction in progress less their residual values over their estimated useful lives and after taking into account their estimated residual values, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Construction in progress includes property, plant and equipment in the course of construction for production or for own use purposes. Construction in progress is carried at cost less any recognised impairment loss. Construction in progress is classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets commences when the assets are ready for their intended use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the property is derecognised.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

Leasehold land and building

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "prepaid lease payments" in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses, being their fair value at the date of the revaluation less subsequent accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Exploration and evaluation assets

Exploration and evaluation assets are recognised at cost on initial recognition. Subsequent to initial recognition, exploration and evaluation assets are stated at cost less any accumulated impairment losses. Exploration and evaluation assets include the cost of exploration rights and the expenditures incurred in the search for mineral resources as well as the determination of the technical feasibility and commercial viability of extracting those resources. When the technical feasibility and commercial viability of extracting mineral resources become demonstrable or relevant mining rights certificate is obtained, previously recognised exploration and evaluation assets are reclassified as mining rights or property, plant and equipment. These assets are assessed for impairment before reclassifications.

Impairment of exploration and evaluation assets

The carrying amount of the exploration and evaluation assets is reviewed annually and adjusted for impairment whenever one of the following events or changes in circumstances indicate that the carrying amount may not be recoverable (the list is not exhaustive):

- The period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed.
- Substantive expenditure on future exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned.
- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area.
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the Exploration and evaluation assets is unlikely to be recovered in full from successful development or by sale.

An impairment loss is recognised in the profit or loss whenever the carrying amount of the exploration and evaluation assets exceeds its recoverable amount.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Impairment of tangible and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

The Group's financial assets are classified into one of the following categories including financial assets as at fair value through profit or loss ("FVTPL"), loans and receivables, and available-for-sale financial assets. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of asset within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial assets, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IAS 39 permits the entire combined contract to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial assets and is included in the other gains and losses line item in the consolidated statement of profit or loss and other comprehensive income.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade and bills receivables, other receivables, other investments, loans to fellow subsidiaries, restricted bank deposits, and bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated as available-for-sale or are not classified as (a) financial assets at FVTPL or (b) loans and receivables.

Available-for-sale equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments are measured at cost less any identified impairment losses at the end of each reporting period.

Dividends on available-for-sale equity instruments are recognised in profit and loss when the Group's right to receive the dividends is established.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For available-for-sale equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Impairment of financial assets *(Continued)*

For certain categories of financial assets, such as trade and other receivables, asses that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 90 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade and other receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts considered previously written off are credited to profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in according with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liabilities are either held for trading or it is designated as at FVTPL on initial recognition.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IAS 39 permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial liabilities at FVTPL are measured at fair value, with gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss is recognised in profit or loss incorporates any interest paid on the financial liability and is included in the "other gains and losses" line item in the consolidated statement of profit or loss and other comprehensive income.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Financial liabilities and equity instruments *(Continued)*

Bonds with detachable warrants

The component of bonds with warrants that exhibits characteristics of a liability is recognised as a liability in the consolidated statement of financial position, net of transaction costs. On issuance of bonds with warrants, the fair value of the liability component is determined using a market rate for an equivalent bond without the detachable share purchase warrants; and this amount is carried as a long-term liability on an amortised cost basis until redemption.

The remainder of the proceeds is allocated to the detachable share purchase warrants that are recognised and included in shareholders' equity, net of transaction costs. The carrying amount of the detachable share purchase warrants is not remeasured in subsequent years. Transaction costs are apportioned between the liability and equity components of the bonds with warrants based on the allocation of proceeds to the liability and equity components when the instruments are first recognised.

Other financial liabilities

Other financial liabilities including trade and bills payables, other payables, deposits from holding company and fellow subsidiaries, bank borrowings, bonds payable and other long-term payables are subsequently measured at amortised cost, using the effective interest method.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis other than financial liabilities classified as at FVTPL, of which the interest expense is included in net gains or losses.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Derivative financial instruments

The Group uses derivative financial instruments to hedge its commodity price risk. The Group's derivative financial instruments mainly include commodity derivative contracts (mainly standardised copper cathode future contracts in Shanghai Futures Exchange ("SHFE") and London Metal Exchange ("LME")) and provisional price arrangement.

Provisional price arrangement is embedded in metal purchase contracts with third parties. According to industry practice, the purchase terms of metal in these contracts contain provisional pricing arrangements pursuant to which the purchase prices for metal in concentrate are based on prevailing spot prices at a specified future period after shipment by suppliers (the "quotation period"). Adjustments to the purchase price occur based on movements in quoted market prices up to the date of final settlement. The period between provisional invoicing and final settlement is within one month. Accordingly, for accounting purposes, the provisional price arrangement is required to be separated from the host contract for purchase of metal in concentrate once the significant risks and rewards of ownership has been transferred to the Group. The host contract is the purchase of metal in concentrate and the embedded derivative is the forward contract for which the provisional price is subsequently adjusted.

The use of financial derivatives is governed by the Group's policies, which provide written principles on the use of financial derivatives consistent with the Group's risk management strategy. Certain derivative instruments of the Group are not designated as hedging instruments and/or qualified for hedge accounting.

Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which case the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Embedded derivatives

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Hedge accounting

The Group uses derivative financial instruments (i.e. commodity derivative contracts and provisional price arrangement) to hedge its commodity price risk.

At the inception of the hedging relationship, the Group documents the relationship between the hedging instrument and hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedge risk.

Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognised in profit or loss in the line item relating to the hedged item.

Hedge accounting is discontinued when the Group revokes the hedging relationship, when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, and is included in the "other gains and losses" line item in the consolidated statement of profit or loss and other comprehensive income.

Amounts previously recognised in other comprehensive income and accumulated in equity (hedging reserve) are reclassified to profit or loss in the periods when the hedged item is recognised in profit or loss, in the same line of the consolidated statement of profit or loss and other comprehensive income as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in equity are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the Group revokes the hedging relationship, when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group continues to recognise the asset to the extent of its continuing involvement and recognises an associated liability. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

On derecognition of a financial asset other than in its entirety, the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Provision

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Provision *(Continued)*

Provisions for the Group's obligations for environment rehabilitation are based on estimates of required expenditure at the mines in accordance with PRC rules and regulations. The Group estimates its provisions for environment rehabilitation cost at closure of mine based upon detailed calculations of the amount and timing of the future cash expenditure to perform the required work. Spending estimates are escalated for inflation, then discounted at a discount rate that reflects current market assessments of the time value of money and the risks specific to the liability such that the amount of provision reflects the present value of the expenditures expected to be required to settle the obligation. The Group records a corresponding asset in the period in which the liability is incurred. The asset is depreciated using the straight-line method over its expected life and the liability is accreted to the projected expenditure date. As changes in estimates occur (such as mine plan revisions, changes in estimated costs, or changes in timing of the performance of reclamation activities), the revisions to the obligation and asset are recognised at the appropriate discount rate.

Retirement benefit costs

Payments to defined contribution retirement benefit plans/state-managed retirement benefit schemes/ the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

The key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed below.

Environment rehabilitation obligations

Environment rehabilitation obligations are inherently imprecise and represent only approximate amounts because of the subjective judgements involved in the estimation of the costs. Environment rehabilitation obligations are subject to considerable uncertainty which affects the Group's ability to estimate the ultimate cost of remediation efforts. These uncertainties include: (i) the exact nature and extent of the contamination at various sites including, but not limited to, mines and land development areas, whether operating, closed or sold, (ii) the extent of required cleanup efforts, (iii) varying cost of alternative remediation strategies, (iv) changes in environmental remediation requirements, and (v) the identification of new remediation sites. In addition, as prices and cost levels change from year to year, the estimate of environment liabilities also changes. Despite the inherent imprecision in these estimates, these estimates are used in assessing the provision for rehabilitation. As at 31 December 2015, the carrying amount of provision for rehabilitation is RMB165,695,000 (2014: RMB122,465,000).

Estimation of useful lives and residual values of property, plant and equipment

Useful lives and residual values are determined based on management's past experience with similar assets, estimated changes in technologies and in the case of mining related property, plant and equipment, estimated mine lives. If the estimated useful lives and residual value change significantly, adjustment of depreciation will be provided in the following year. As at 31 December 2015, the carrying amount of property, plant and equipment is RMB21,446,841,000 (2014: RMB20,503,823,000).

Mineral reserves

Technical estimates of the Group's mineral reserves are inherently imprecise and represent only approximate amounts because of the subjective judgements involved in developing such information. There are authoritative guidelines regarding the engineering criteria that have to be met before estimated mineral reserves can be designated as "proved" and "probable". Proved and probable mineral reserves estimates are updated on a regular basis and take into account recent economic production and technical information about each mine. In addition, as production levels and technical standards change from year to year, the estimate of proved and probable mineral reserves also changes. Despite the inherent imprecision in these technical estimates, these estimates are used in assessing impairment losses. As at 31 December 2015, the carrying amount of mining rights is RMB1,078,676,000 (2014: RMB770,769,000).

4. KEY SOURCES OF ESTIMATION UNCERTAINTY *(Continued)*

Exploration and evaluation assets

The application of the Group's accounting policy for exploration and evaluation assets requires judgement in determining whether it is likely that future economic benefits will result, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalised, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalised is written off in profit or loss in the period when the new information becomes available. As at 31 December 2015, the carrying amount of exploration and evaluation assets is RMB530,191,000 (2014: RMB771,890,000).

Deferred tax assets

Deferred tax assets are recognised for all temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. Recognition primarily involves judgement regarding the future performance of the particular legal entity or tax group in which the deferred tax asset has been recognised. A variety of other factors are also evaluated in considering whether there is convincing evidence that it is probable that some portion or all of the deferred tax assets will ultimately be realised, such as the amounts of the future taxable profit and tax planning strategies. As at 31 December 2015, the carrying amount of deferred tax assets is RMB918,707,000 (2014: RMB683,956,000).

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The calculation of the fair value less costs to sell is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows. As at 31 December 2015, the carrying amount of non-current assets (other than other investments, deferred tax assets and available-for-sale investments) is RMB27,945,147,000 (2014: RMB26,753,311,000).

Impairment of loans, trade and other receivables

Provision for impairment of loans, trade receivables and other receivables is made based on an assessment of the recoverability of loans, trade receivables and other receivables. The identification of doubtful debts requires management's judgement and estimates. Provision is made when there is objective evidence that the Group will not be able to collect the debts. Where the actual outcome or further expectation is different from the original estimate, these differences will impact on the carrying value of the receivables, doubtful debt expenses and write-back in the period in which the estimate has been changed. As at 31 December 2015, the carrying amount of loans, trade and other receivables is RMB20,348,849,000 (2014: RMB22,731,408,000).

4. KEY SOURCES OF ESTIMATION UNCERTAINTY *(Continued)*

Impairment of available-for-sale financial assets

The Group classifies certain assets as available-for-sale financial assets at cost. These unlisted equity investments were stated at cost and subject to a test for impairment losses because the directors of the Company are of the opinion that their fair values cannot be measured reliably. A provision for impairment is made for available-for-sale equity investments when objective evidence of impairment exists. As at 31 December 2015, the carrying amount of available-for-sale financial assets is RMB458,080,000 (2014: RMB408,449,000).

Fair value measurements and valuation processes

In estimating the fair value of the Group's financial assets and financial liabilities, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the management of the Group will assess the valuation of financial instruments based on discounted cash flow or quoted bid prices of the trading day in the over-the-counter markets at the end of each reporting period. At the end of the reporting period, the management of the Group will exercise their judgements based on their experience to establish and determine the appropriate valuation techniques and inputs to the valuation model. Where there is a material change in the fair value of the assets, the causes of the fluctuations will be reported to the board of directors of the Company. Note 46 provides detailed information about the valuation techniques, inputs and key assumptions used in the determination of the fair value of the Group's financial assets and financial liabilities.

Allowances for inventories

The management of the Group reviews the physical conditions and saleability of inventories at the end of reporting period, and makes allowance for obsolete and slow-moving inventory items identified that are no longer suitable for use in production. The management estimates the net realisable value for inventories primarily based on the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale. At 31 December 2015, the carrying amount of inventories is RMB13,368,855,000 (2014: RMB14,190,219,000).

5. REVENUE AND SEGMENT INFORMATION

The Group's operating activities are attributable to a single operating segment focusing on production and sale of copper and other related products. This operating segment has been identified on the basis of internal management reports prepared in accordance with accounting policies conform to Accounting Standards for Business Enterprises ("ASBE") issued by the Ministry of Finance of the PRC, that is regularly reviewed by the General Manager of the Group. The General Manager of the Group regularly reviews revenue analysis by products. However, other than revenue analysis, no operating results and other discrete financial information is available for the assessment of performance of the respective products. The General Manager of the Group reviews the revenue and the operating results of the Group as a whole to make decision about resources allocation. No analysis of segment assets or segment liabilities is presented as they are not regularly provided to the General Manager of the Group. Accordingly, no analysis of this single operating segment is presented.

5. REVENUE AND SEGMENT INFORMATION *(Continued)*

An analysis of the Group's revenue by category of goods is as follows:

	2015	2014
	RMB'000	*RMB'000*
Sales of goods		
– copper cathodes	**113,156,063**	117,265,741
– copper rods	**38,126,940**	46,079,831
– copper processing products	**3,079,239**	5,186,903
– gold	**6,154,781**	7,343,048
– silver	**2,816,113**	2,641,269
– sulphuric and sulphuric concentrate	**1,348,034**	1,382,686
– rare and other non-ferrous metals	**17,890,198**	15,548,506
– others	**3,211,123**	3,385,502
Revenue analysis prepared in accordance with ASBE	**185,782,491**	198,833,486
Less: sales related taxes	**(554,321)**	(569,311)
Revenue analysis prepared in accordance with IFRSs	**185,228,170**	198,264,175

Geographical information

The Group's operation is mainly located in the PRC and Hong Kong. The Group's revenue by geographical location of customers are detailed below:

	2015	2014
	RMB'000	*RMB'000*
Mainland China	**165,251,322**	174,273,236
Hong Kong	**11,181,744**	9,728,744
Others	**9,349,425**	14,831,506
Revenue analysis prepared in accordance with ASBE	**185,782,491**	198,833,486
Less: sales related taxes	**(554,321)**	(569,311)
Revenue analysis prepared in accordance with IFRSs	**185,228,170**	198,264,175

All non-current assets of the Group (excluding deferred tax assets and financial instruments) are located in the PRC except for certain investments in Afghanistan, Turkey, Peru and Japan of which carrying amounts are not material.

5. REVENUE AND SEGMENT INFORMATION *(Continued)*

Information about major customers

During the year ended 31 December 2015, there is no revenue from customers contributing over 10% of the total revenue of the Group (2014: nil). The revenue from the largest customer amounted to approximately RMB4,876,870,000 (2014: RMB9,194,422,000), representing 2.63% (2014: 4.62%) of the total revenue of the Group.

6. OTHER INCOME

	2015	2014
	RMB'000	*RMB'000*
Interest income	**954,972**	940,799
Dividend income on available-for-sale investments	**34,409**	20,490
Government grants recognised *(note)*	**51,716**	38,035
Income from value-added tax refund	**78,301**	57,514
Others	**6,219**	28,850
	1,125,617	1,085,688

Note: Government grants recognised represents compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs and government subsidies granted to the Group in relation to its production facilities.

7. OTHER GAINS AND LOSSES

	2015	2014
	RMB'000	*RMB'000*
Fair value change on derivative financial instruments		
Transactions not qualifying for hedging accounting		
– Fair value change on commodity derivative contracts	**290,358**	1,236,705
– Fair value change on foreign currency forward contracts and interest rate swaps	**121,163**	7,220
Transactions qualifying as fair value hedges		
– Inventory hedged	**4,351**	3,394
– Fair value change on hedging instruments	**(6,408)**	(2,196)
Ineffective portion of cash flow hedges	**(66,424)**	(634)
Fair value change on held-for-trading financial assets	**31,072**	(707)
Fair value change on held-for-trading financial liabilities	**95,023**	(71,995)
Income from available-for-sale investments	**192,515**	183,033
Gain from disposal of subsidiary	**278,015**	–
Income from other investments	**90,972**	123,470
Loss on disposal of property, plant and equipment	**(26,565)**	(39,649)
Impairment loss on property, plant and equipment	**–**	(30,088)
Impairment loss on trade and other receivables	**(437,996)**	(981,988)
Impairment loss on available-for-sale investments	**(369)**	(1,631)
Impairment loss on loans to fellow subsidiaries	**(380)**	(4,415)
Donations	**(852)**	(1,203)
Exchange (losses) gains	**(551,263)**	72,082
Others	**64,517**	(9,372)
	77,729	482,026

8. FINANCE COSTS

	2015	2014
	RMB'000	*RMB'000*
Interests on:		
Bank borrowings	**406,603**	542,612
Bonds payable	**376,435**	358,904
Discounted notes	**140,289**	75,889
	923,327	977,405

9. TAXATION

	2015	2014
	RMB'000	*RMB'000*
The charge comprises:		
Current taxation		
– PRC Enterprise Income Tax	**687,202**	1,220,349
– Hong Kong Profits Tax	**7,667**	10,625
	694,869	1,230,974
(Over) underprovision in prior years		
– PRC Enterprise Income Tax	**(4,761)**	(1,854)
– Hong Kong Profits Tax	**848**	(76)
	(3,913)	(1,930)
Deferred taxation *(note 22)*	**(213,215)**	(215,936)
	477,741	1,013,108

Hong Kong Profits Tax in three (2014: three) of the Group's subsidiaries has been provided at the rate of 16.5% (2014: 16.5%) on the estimated assessable profits arising in Hong Kong during the year.

The provision for PRC Enterprise Income Tax is based on a statutory rate of 25% (2014: 25%) of the assessable profits of the Group as determined in accordance with the relevant income tax rules and regulations of the PRC Enterprise Income Tax Law except for those high technology companies may be entitled to a lower PRC Enterprise Income Tax rate of 15%, which are according to the PRC Enterprise Income Tax Law.

Taxation in other jurisdiction is calculated at the rates prevailing in the respective jurisdictions.

9. TAXATION *(Continued)*

Tax charge for the year can be reconciled to the profit before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

	2015	2014
	RMB'000	*RMB'000*
Profit before taxation	**1,216,392**	3,912,372
Tax at the domestic income tax rate of 25% (2014: 25%)	**304,098**	978,093
Tax effect of income not taxable for tax purposes	**(20,882)**	(25,326)
Tax effect of expenses not deductible for tax purposes	**94,531**	21,373
Overprovision in prior years	**(3,913)**	(1,930)
Tax effect of tax losses and deductible temporary differences not recognised	**99,129**	64,298
Utilisation of tax losses and deductible temporary differences previously not recognised	**(90)**	(17,503)
Effect of different tax rates of subsidiaries	**4,868**	(5,897)
Tax charge for the year	**477,741**	1,013,108

10. PROFIT FOR THE YEAR

	2015	2014
	RMB'000	*RMB'000*
Profit for the year has been arrived at after charging:		
Employee benefit expense (including directors', chief executive's and supervisors' remuneration *(note 11)*):		
– Wages and salaries	**1,849,303**	1,576,995
– Performance related bonus	**12,352**	35,819
– Pension scheme contributions	**124,051**	110,719
– Other staff costs, allowances and welfare	**376,030**	348,039
	2,361,736	2,071,572
Auditor's remuneration	**8,211**	10,652
Cost of inventories recognised as an expense	**181,453,624**	192,542,742
Depreciation of property, plant and equipment	**1,567,260**	1,462,052
Depreciation of investment properties	**7,284**	4,077
Amortisation of prepaid lease payments	**31,908**	18,731
Amortisation of intangible assets	**44,158**	41,017
Allowance for inventories, included in cost of sales	**16,600**	371,233
Minimum lease payments under operating lease of land use rights	**165,960**	163,562

11. DIRECTORS', CHIEF EXECUTIVE'S AND SUPERVISORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES

The emoluments paid or payable to the directors, chief executive and supervisors were as follows:

	2015	2014
	RMB'000	*RMB'000*
Fees	**400**	400
Other emoluments		
– Salaries, allowances and welfare	**4,896**	7,824
– Performance related bonus	**–**	3,036
– Pension scheme contributions	**312**	288
	5,208	11,148
	5,608	11,548

11. DIRECTORS', CHIEF EXECUTIVE'S AND SUPERVISORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES *(Continued)*

		Other emoluments			
	Fees	Salaries, allowances and welfare	Performance related bonus	Pension scheme contributions	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
For the year ended 31 December 2015					
Executive director:					
Li Baomin	–	640	–	39	679
Long Ziping	–	640	–	39	679
Gan Chengjiu	–	640	–	39	679
Liu Fangyun	–	640	–	39	679
Gao Jianmin	–	200	–	–	200
Liang Qing	–	200	–	–	200
Shi Jialiang	–	50	–	–	50
	–	3,010	–	156	3,166
Independent non-executive director:					
Qiu Guanzhou	100	–	–	–	100
Zhang Weidong	100	–	–	–	100
Deng Hui	100	–	–	–	100
Tu Shutian	100	–	–	–	100
	400	–	–	–	400
Supervisor:					
Lin Jinliang	–	459	–	39	498
Wu Jinxing	–	459	–	39	498
Xie Ming	–	459	–	39	498
Hu Qingwen	–	459	–	39	498
Wan Sujuan	–	50	–	–	50
	–	1,886	–	156	2,042
	400	4,896	–	312	5,608

11. DIRECTORS', CHIEF EXECUTIVE'S AND SUPERVISORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES *(Continued)*

		Other emoluments			
	Fees	Salaries, allowances and welfare	Performance related bonus	Pension scheme contributions	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
For the year ended 31 December 2014					
Executive director:					
Li Baomin	–	1,066	890	36	1,992
Long Ziping	–	1,066	841	36	1,943
Gan Chengjiu	–	1,066	669	36	1,771
Liu Fangyun	–	1,066	636	36	1,738
Gao Jianmin	–	200	–	–	200
Liang Qing	–	200	–	–	200
Shi Jialiang	–	50	–	–	50
	–	4,714	3,036	144	7,894
Independent non-executive director:					
Qiu Guanzhou *(Note a)*	50	–	–	–	50
Zhang Weidong	100	–	–	–	100
Deng Hui	100	–	–	–	100
Wu Jianchang *(Note b)*	50	–	–	–	50
Gao Dezhu	100	–	–	–	100
	400	–	–	–	400
Supervisor:					
Lin Jinliang	–	765	–	36	801
Wu Jinxing	–	765	–	36	801
Xie Ming	–	765	–	36	801
Hu Qingwen	–	765	–	36	801
Wan Sujuan	–	50	–	–	50
	–	3,110	–	144	3,254
	400	7,824	3,036	288	11,548

11. DIRECTORS', CHIEF EXECUTIVE'S AND SUPERVISORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES *(Continued)*

Notes:

(a) The director was appointed on 11 June 2014.

(b) The director was resigned on 11 June 2014.

The executive directors' emoluments shown above were mainly for their services in connected with the management of affairs of the Company and the Group.

The independent non-executive directors' emoluments shown above were mainly for their services as directors of the Company.

Details of the remuneration of the five highest paid employees are as below:

	Salaries, allowances and welfare *RMB'000*	**Performance related bonus** *RMB'000*	**Pension scheme contributions** *RMB'000*	**Total** *RMB'000*
For the year ended 31 December 2015				
Li Baomin	**640**	–	**39**	**679**
Long Ziping	**640**	–	**39**	**679**
Gan Chengjiu	**640**	–	**39**	**679**
Liu Fangyun	**640**	–	**39**	**679**
Wu Yuneng	**489**	–	**39**	**528**
	3,049	–	**195**	**3,244**

	Salaries, allowances and welfare *RMB'000*	Performance related bonus *RMB'000*	Pension scheme contributions *RMB'000*	Total *RMB'000*
For the year ended 31 December 2014				
Li Baomin	1,066	890	36	1,992
Long Ziping	1,066	841	36	1,943
Gan Chengjiu	1,066	669	36	1,771
Liu Fangyun	1,066	636	36	1,738
Wu Yuneng	815	669	36	1,520
	5,079	3,705	180	8,964

11. DIRECTORS', CHIEF EXECUTIVE'S AND SUPERVISORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES *(Continued)*

Their emoluments were within the following bands:

	2015 Number of employees	2014 Number of employees
HK$500,001 to HK$1,000,000	**5**	–
HK$1,000,001 to HK$1,500,000	**–**	–
HK$1,500,001 to HK$2,000,000	**–**	1
HK$2,000,001 to HK$2,500,000	**–**	3
HK$2,500,001 to HK$3,000,000	**–**	1
	5	5

The five highest paid employees have acted as executive directors, a supervisor and a deputy general manager during both years.

There was no other arrangement under which a director or supervisor waived or agreed to waive any remuneration during both years.

12. DIVIDENDS

	2015 ***RMB'000***	2014 *RMB'000*
Dividends recognised as distribution during the year:		
Final dividend of RMB0.2 for 2014 (2014: final dividend of RMB0.2 for 2013) per share	**692,546**	1,731,365

Subsequent to the end of the reporting period, a final dividend of RMB0.1 in respect of the year ended 31 December 2015 (2014: final dividend of RMB0.2 in respect of the year ended 31 December 2014) per share has been proposed by the directors and is subject to approval by the shareholders in the forthcoming general meeting. The total amount of RMB346,273,000 (2014: RMB692,546,000) of the proposed final dividend, calculated on the Company's number of shares issued at the date of annual report, is not recognised as a liability in the consolidated statement of financial position.

13. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit for the year attributable to owners of the Company of RMB689,556,000 (2014: RMB2,899,091,000) and on the number of 3,462,729,405 (2014: 3,462,729,405) ordinary shares in issue during the year.

Diluted earnings per share presented is the same as basic earnings per share because there is no outstanding potential dilutive ordinary shares as at 31 December 2015 and 2014 and during both years.

14. PROPERTY, PLANT AND EQUIPMENT

	Buildings and mining infrastructure RMB'000	Machinery RMB'000	Motor vehicles RMB'000	Office equipment RMB'000	Construction in progress RMB'000	Total RMB'000
COST						
At 1 January 2014	12,331,857	15,570,523	1,977,743	103,680	1,736,379	31,720,182
Additions	276,916	80,965	11,919	17,308	1,964,010	2,351,118
Acquisition of a subsidiary *(note 42)*	63,032	126,424	1,105	–	–	190,561
Disposals	(49,803)	(219,785)	(101,907)	(3,552)	–	(375,047)
Transfer to investment properties	(186,187)	–	–	–	–	(186,187)
Transfer to prepaid lease payments	–	–	–	–	(234,637)	(234,637)
Transfers	924,658	400,241	137,886	10,719	(1,473,504)	–
At 31 December 2014	13,360,473	15,958,368	2,026,746	128,155	1,992,248	33,465,990
Additions	**84,901**	**6,966**	**24,677**	**25,876**	**1,384,478**	**1,526,898**
Acquisition of a subsidiary *(note 42)*	**229,312**	**624,442**	**14,472**	**3,228**	**362,373**	**1,233,827**
Disposals	**(17,553)**	**(178,518)**	**(62,174)**	**(2,533)**	**–**	**(260,778)**
Disposal of a subsidiary *(note 42)*	**(25,923)**	**(9,291)**	**(12,490)**	**(133)**	**–**	**(47,837)**
Transfer to prepaid lease payments	**–**	**–**	**–**	**–**	**(165,879)**	**(165,879)**
Transfer to investment properties	**(1,936)**	**–**	**–**	**–**	**–**	**(1,936)**
Transfers	**533,576**	**356,605**	**26,897**	**24,291**	**(941,369)**	**–**
At 31 December 2015	**14,162,850**	**16,758,572**	**2,018,128**	**178,884**	**2,631,851**	**35,750,285**
ACCUMULATED DEPRECIATION						
At 1 January 2014	3,755,237	7,084,238	789,757	67,039	–	11,696,271
Provided for the year	667,110	598,873	185,525	10,544	–	1,462,052
Transfer to investment properties	(4,344)	–	–	–	–	(4,344)
Eliminated on disposals	(4,991)	(148,509)	(75,152)	(3,224)	–	(231,876)
At 31 December 2014	4,413,012	7,534,602	900,130	74,359	–	12,922,103
Provided for the year	**376,341**	**961,805**	**217,415**	**11,699**	**–**	**1,567,260**
Eliminated on disposals	**(13,685)**	**(122,340)**	**(62,174)**	**(1,895)**	**–**	**(200,094)**
At 31 December 2015	**4,775,668**	**8,374,067**	**1,055,371**	**84,163**	**–**	**14,289,269**
ACCUMULATED IMPAIRMENT						
At 1 January 2014	719	20,508	3	20	–	21,250
Provided for the year	–	29,887	201	–	–	30,088
Write-off for the year	(13)	(11,060)	(201)	–	–	(11,274)
At 31 December 2014	706	39,335	3	20	–	40,064
Write-off for the year	**(30)**	**(25,859)**	**–**	**–**	**–**	**(25,889)**
At 31 December 2015	**676**	**13,476**	**3**	**20**	**–**	**14,175**
CARRYING VALUES						
At 31 December 2015	**9,386,506**	**8,371,029**	**962,754**	**94,701**	**2,631,851**	**21,446,841**
At 31 December 2014	8,946,755	8,384,431	1,126,613	53,776	1,992,248	20,503,823

14. PROPERTY, PLANT AND EQUIPMENT *(Continued)*

As at 31 December 2015, certain of the Group's buildings and mining infrastructure with a net book value of RMB172,211,000 (2014: RMB19,448,000) were pledged to secure short-term bank borrowings. Certain of the Group's machinery with a net book value of RMB493,883,000 (2014: nil) were pledged to secure long-term bank borrowings.

As at 31 December 2015, the Group was in the process of obtaining property ownership certificates for certain of the Group's buildings with an aggregate carrying value of RMB910,514,000 (2014: RMB506,235,000).

The above items of property, plant and equipment, other than construction in progress, are depreciated over their estimated useful lives and after taking into account their estimated residual values, using straight-line method, as follows:

Building and mining infrastructure	12-45 years
Machinery	8-27 years
Motor vehicles	9-13 years
Office equipment	5-10 years

The Group's buildings are held under medium-term leases and are situated in the PRC.

15. INVESTMENT PROPERTIES

	RMB'000
COST	
At 1 January 2014	181,954
Additions	5,267
Transfer from property, plant and equipment	181,843
At 31 December 2014	369,064
Transfer from property, plant and equipment	**1,936**
At 31 December 2015	**371,000**
ACCUMULATED DEPRECIATION	
At 1 January 2014	7,113
Provided for the year	4,077
At 31 December 2014	11,190
Provided for the year	**7,284**
At 31 December 2015	**18,474**
CARRYING VALUES	
At 31 December 2015	**352,526**
At 31 December 2014	357,874

15. INVESTMENT PROPERTIES *(Continued)*

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using cost model and are classified and accounted for as investment properties. Depreciation is provided to write off the cost of investment properties using straight-line method over the remaining terms of the leases.

All of the Group's investment properties are situated in the PRC under medium-terms of lease.

16. PREPAID LEASE PAYMENTS

	2015	2014
	RMB'000	*RMB'000*
Analysed for reporting purpose as:		
Non-current assets	**1,221,393**	924,763
Current assets	**25,078**	18,371
	1,246,471	943,134

The Group's leasehold interest in land is held under medium-term leases and is situated in the PRC.

As at 31 December 2015, certain of the Group's prepaid lease payments with a net book value of RMB263,345,000 (2014: RMB9,002,000) were pledged to secure bank borrowings.

17. INTANGIBLE ASSETS

	Mining rights *RMB'000*	Trademarks *RMB'000*	Others *RMB'000*	Total *RMB'000*
COST				
At 1 January 2014	1,005,976	52,627	56,884	1,115,487
Additions	2,821	–	4,273	7,094
At 31 December 2014	1,008,797	52,627	61,157	1,122,581
Additions	**7,432**	**–**	**3,987**	**11,419**
Acquisition of a subsidiary *(note 42)*	**–**	**–**	**11,389**	**11,389**
Transfer from exploration and evaluation assets	**335,031**	**–**	**–**	**335,031**
At 31 December 2015	**1,351,260**	**52,627**	**76,533**	**1,480,420**
ACCUMULATED AMORTISATION				
At 1 January 2014	205,465	29,582	16,042	251,089
Provided for the year	32,563	1,853	6,601	41,017
At 31 December 2014	238,028	31,435	22,643	292,106
Provided for the year	**34,556**	**1,863**	**7,739**	**44,158**
At 31 December 2015	**272,584**	**33,298**	**30,382**	**336,264**
CARRYING VALUES				
At 31 December 2015	**1,078,676**	**19,329**	**46,151**	**1,144,156**
At 31 December 2014	770,769	21,192	38,514	830,475

The above item of intangible assets have finite useful lives and are amortised over the estimated useful lives, using straight-line method, as follows:

Mining rights	10-50 years
Trademarks	20 years
Others	5-20 years

18. EXPLORATION AND EVALUATION ASSETS

	RMB'000
CARRYING AMOUNT	
At 1 January 2014	665,245
Additions	106,645
At 31 December 2014	771,890
Additions	**93,332**
Transfer to mining rights	**(335,031)**
At 31 December 2015	**530,191**

19. INTERESTS IN ASSOCIATES

	2015	2014
	RMB'000	*RMB'000*
Unlisted cost of investments	**2,904,918**	3,189,894
Share of post-acquisition losses and other comprehensive expense	**(340,332)**	(262,592)
	2,564,586	2,927,302

19. INTERESTS IN ASSOCIATES

Particulars of the principal associates are set out as follows:

Name of company	Type	Place of establishment and operation	Registered capital	Proportion of equity held by the Group 2015	Proportion of equity held by the Group 2014	Proportion of voting power held by the Group 2015	Proportion of voting power held by the Group 2014	Principal activities
Minmetals Jiangxi Copper Mining Investment Company Limited 五礦江銅礦業投資有限公司 ("Minmetals Jiangxi Copper")	Limited liability company ("LLC")	PRC	RMB3,510,000,000	**40%**	40%	**40%**	40%	Investment holding of a 100% equity interest in a mining company in Peru
Asia Development Sure Spread Company Limited 興亞保弘株式會社	LLC	Japan	Japanese Yen ("JPY") 200,000,000	**49%**	49%	**49%**	49%	Import and export of copper products
MCC-JCL Aynak Minerals Company Limited 中冶江銅艾娜克礦業有限公司 ("MCC- JCL")#	LLC	Afghanistan	United States dollars ("USD") 370,518,000	**25%**	25%	**25%**	25%	Exploration and sale of copper products
Zhaojue Fengye Smelting Company Limited 昭覺縣逢燁濕法冶煉有限公司	LLC	PRC	RMB10,000,000	**47.86%**	47.86%	**47.86%**	47.86%	Production and sale of copper cathodes and related products; technology development and provision of services
Zhengjiang Heding Copper Company Limited 浙江和鼎銅業有限公司*	LLC	PRC	RMB900,000,000	**–**	40%	**–**	40%	Production and sale of copper products
BOC International (China) Limited 中銀國際證券有限責任公司#	LLC	PRC	RMB1,979,167,000	**6.31%**	6.31%	**6.31%**	6.31%	Securities broker and investment advisory
Hengbang Property Insurance Company Limited 恒邦財產保險股份有限公司#	LLC	PRC	RMB660,000,000	**14.82%**	14.82%	**14,82%**	14.82%	Provision of insurance services

\# The Group is able to exercise significant influence over these companies with the power to participate in the financial and operating policy decisions, but is not control or joint control over those policies. Accordingly, these companies are regarded as associates of the Group.

* The Group is able to exercise control over this company during the year ended 31 December 2015 and is regarded as a subsidiary of the Group as at 31 December 2015.

Summarised financial information in respect of the Group's material associates are set out below. The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with IFRSs.

Minmetals Jiangxi Copper and MCC-JCL are material associates to the Group and they are accounted for using the equity method in these consolidated financial statements.

19. INTERESTS IN ASSOCIATES *(Continued)*

Minmetals Jiangxi Copper

	2015	2014
	RMB'000	*RMB'000*
Current assets	**53,339**	204,563
Non-current assets	**4,258,701**	4,606,220
Current liabilities	**78,054**	363,037
Non-current liabilities	**1,645,415**	1,495,922

	2015	2014
	RMB'000	*RMB'000*
The Group's share of loss for the year	**(361,741)**	(82,051)
The Group's share of other comprehensive income for the year	**124,440**	16,260
The Group's share of total comprehensive expense for the year	**(237,301)**	(65,791)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate in respect of Minmetals Jiangxi Copper recognised in the consolidated financial statements:

	2015	2014
	RMB'000	*RMB'000*
Net assets of Minmetals Jiangxi Copper attributable to owners	**2,588,571**	2,951,824
Proportion of the Group's ownership interest in Minmetals Jiangxi Copper	**40%**	40%
Carrying amount of the Group's interest in Minmetals Jiangxi Copper	**1,035,428**	1,180,730

19. INTERESTS IN ASSOCIATES *(Continued)*

MCC-JCL

	2015	2014
	RMB'000	*RMB'000*
Current assets	**199,792**	197,266
Non-current assets	**2,372,541**	2,220,607
Current liabilities	**17,216**	17,948
Non-current liabilities	**–**	–

	2015	2014
	RMB'000	*RMB'000*
The Group's share of results for the year	**–**	–
The Group's share of other comprehensive income for the year	**38,904**	8,956
The Group's share of total comprehensive income for the year	**38,904**	8,956

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate in respect of MCC-JCL in the consolidated financial statements:

	2015	2014
	RMB'000	*RMB'000*
Net assets of MCC-JCL attributable to owners	**2,555,117**	2,399,925
Proportion of the Group's ownership interest in MCC-JCL	**25%**	25%
Carrying amount of the Group's interest in MCC-JCL	**638,779**	599,981

19. INTERESTS IN ASSOCIATES *(Continued)*

MCC-JCL *(Continued)*

Aggregate information of associates that are not individually material is set out below:

	2015 RMB'000	2014 RMB'000
The Group's share of profit	**118,729**	79,015
The Group's share of other comprehensive income	**1,928**	–
The Group's share of total comprehensive income	**120,657**	79,015

20. INTEREST IN JOINT VENTURES

	2015 RMB'000	2014 RMB'000
Unlisted costs of investments	**407,198**	397,976
Share of post-acquisition losses and other comprehensive expense, net of dividend received	**(69,171)**	(25,823)
	338,027	372,153

Particulars of the joint ventures are set out as follows:

Name of company	Type	Place of establishment and operation	Registered capital	Proportion of equity held by the Group 2015	Proportion of equity held by the Group 2014	Proportion of voting power held by the Group 2015	Proportion of voting power held by the Group 2014	Principal activities
Jiangxi JCC-BIOTEQ Environmental Technologies Company Limited 江銅百泰環保科技有限公司	LLC	PRC	RMB28,200,000	**50%**	50%	**50%**	50%	Recovery of industrial waste water and related sales
Nesko Metal Sanayi re Ticaret Anonim Sirketi	LLC	Istanbul	Turksih Lira 4,520,000	**48%**	48%	**48%**	48%	Investment holding of a 99.95% equity interest in a mining company in Albabian

20. INTEREST IN JOINT VENTURES *(Continued)*

Aggregate information of joint ventures that are not individually material is set out below:

	2015	2014
	RMB'000	*RMB'000*
The Group's share of loss	**(39,266)**	(22,248)
The Group's share of other comprehensive income (expense)	**2,917**	(9,833)
The Group's share of loss and total comprehensive expense	**(36,349)**	(32,081)

The directors of the Company are of the opinion that the Group's joint ventures are not material to the consolidated financial statement as a whole, and therefore, except for above, other financial information in respect of these joint ventures are not presented.

21. AVAILABLE-FOR-SALE INVESTMENTS

	2015	2014
	RMB'000	*RMB'000*
Unlisted equity investments, at cost *(note a)*	**478,746**	428,746
Impairment loss recognised	**(20,666)**	(20,297)
	458,080	408,449
Financial products, at fair value *(note b)*	**1,338,445**	963,000
Bonds investment, at fair value *(note c)*	**71,224**	80,080
Loan investments *(note d)*	**1,780,000**	880,000
	3,647,749	2,331,529
Non-current assets	**835,249**	1,068,529
Current assets	**2,812,500**	1,263,000
	3,647,749	2,331,529

21. AVAILABLE-FOR-SALE INVESTMENTS *(Continued)*

Notes:

(a) The unlisted equity investments represent the Group's equity interests in unlisted PRC companies. None of the shareholdings exceeds 20% of the issued capital of the respective investee.

(b) As at 31 December 2015, financial products of RMB1,338,445,000 (2014: RMB963,000,000) held by the Group generate annual target return rate ranged from 2.20% to 9.00% (2014: 5.25% to 9.50%), which will due from 12 January 2016 to 26 October 2016 (2014: 8 January 2015 to 16 October 2015). The directors consider that the fair value of the financial products approximate to their costs.

(c) As at 31 December 2015, the bonds investment held by the Group generate annual target return rate ranged from 7.17% to 7.50% (2014: 7.17% to 7.50%), which will due from 22 October 2019 to 31 October 2019 (2014: 22 October 2019 to 31 October 2019). The directors consider that the fair value of the bonds investment approximate to their costs.

(d) The amount represents loan investments arranged via a bank to an independent security company with high credit-rating and good reputation. The loan investments have maturity dates which will due from 31 January 2016 to 19 November 2016 (2014: 19 May 2015 to 30 June 2016) and were secured and carried particular interest rate.

22. DEFERRED TAXATION

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balance for financial reporting purposes:

	2015	2014
	RMB'000	*RMB'000*
Deferred tax assets	**918,707**	683,956
Deferred tax liabilities	**(109,000)**	(93,646)
	809,707	590,310

22. DEFERRED TAXATION *(Continued)*

The followings are the major deferred tax assets (liabilities) recognised and movements thereon during current and prior years:

	Fair value adjustments on property, plant and equipment, prepaid lease payments and exploration and evaluation assets RMB'000	Impairment of assets RMB'000	Accrued expenses RMB'000	Unrealised profits RMB'000	Tax losses RMB'000	Fair value change on derivative financial instruments RMB'000	Fair value change on held-for-trading financial liabilities RMB'000	Deferred revenue RMB'000	Others RMB'000	Total RMB'000
At 1 January 2014	(92,926)	88,851	220,762	28,234	26,713	112,395	(96,227)	79,103	12,942	379,847
Charge to other comprehensive income	–	–	–	–	–	(5,453)	–	–	(20)	(5,473)
Credit (charge) to profit or loss	975	282,376	(24,255)	(22,881)	3,663	(99,122)	67,647	17,736	(10,203)	215,936
At 31 December 2014	(91,951)	371,227	196,507	5,353	30,376	7,820	(28,580)	96,839	2,719	590,310
Charge to other comprehensive income	**–**	**–**	**–**	**–**	**–**	**4,999**	**–**	**–**	**1,183**	**6,182**
(Charge) credit to profit or loss	**(12,946)**	**98,571**	**(33,372)**	**3,150**	**190,979**	**(63,725)**	**8,685**	**6,522**	**15,351**	**213,215**
At 31 December 2015	**(104,897)**	**469,798**	**163,135**	**8,503**	**221,355**	**(50,906)**	**(19,895)**	**103,361**	**19,253**	**809,707**

As at 31 December 2015, the Group has RMB2,067,292,000 (2014: RMB892,438,000) of unused tax losses available for offsetting against future profits in respect of certain subsidiaries. A deferred tax asset has been recognised in respect of RMB885,420,000 (2014: RMB127,285,000) of such losses. No deferred tax asset has been recognised in respect of the remaining RMB1,181,872,000 (2014: RMB765,153,000) due to the unpredictability of future available taxable profit of the subsidiaries to set against the unused tax losses. The available utilisation period of the unused tax losses is from year 2016 to year 2020 (2014: from year 2016 to year 2019).

As at 31 December 2015, the Group also has deductible temporary differences of RMB283,299,000 (2014: RMB309,464,000). No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which the deductible temporary difference can be utilised.

23. INVENTORIES

	2015 RMB'000	2014 RMB'000
Raw materials	**6,693,458**	7,728,952
Work in progress	**3,094,908**	3,707,850
Finished goods	**3,968,844**	3,193,259
	13,757,210	14,630,061
Less: Allowance for inventories	**(388,355)**	(439,842)
	13,368,855	14,190,219

As at 31 December 2015, the Group's inventories classified as hedged items under hedging instrument of both standardised commodity derivative contracts and provisional price arrangement. The fair value of the hedged items amounted to RMB2,298,168,000 (2014: RMB1,832,738,000), which are estimated by reference to quoted bid prices of similar standardised commodity derivative contracts at the end of the reporting period. Their fair value measurements are categorised under Level 1.

As at 31 December 2015, certain of the Group's inventories of RMB72,196,000 (2014: nil) were placed as futures margin deposits. As at 31 December 2014, certain of the Group's inventories of RMB533,344,000 were pledged to secure bank borrowings.

24. TRADE AND BILLS RECEIVABLES

	2015 RMB'000	2014 RMB'000
Trade receivables	**10,603,412**	10,357,283
Bills receivables	**3,172,899**	6,939,014
Factoring receivables	**1,386,701**	884,839
	15,163,012	18,181,136
Less: Allowance for doubtful debts	**(957,185)**	(836,532)
	14,205,827	17,344,604

24. TRADE AND BILLS RECEIVABLES *(Continued)*

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally three months. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances.

As at 31 December 2015, certain of the Group's trade and bill receivables of RMB1,386,701,000 (2014: RMB884,839,000) were factoring receivables with recourse, which were repayable within one year and carried interests ranging from 11.11% to 12.45% per annum (2014: 9.82% to 12.10% per annum).

As at 31 December 2014, certain of the Group's trade and bills receivables of RMB1,739,991,000 (2015: nil) were pledged to secure short-term bank borrowings.

The aged analysis of trade and bills receivables, net of allowance for doubtful debts, is presented based on the invoice date at the end of the reporting period as follows:

	2015 ***RMB'000***	2014 *RMB'000*
Within 1 year	**14,149,375**	15,619,516
1-2 years	**33,015**	1,723,837
2-3 years	**23,437**	1,251
	14,205,827	17,344,604

Movement in the allowance for doubtful debts:

	2015 ***RMB'000***	2014 *RMB'000*
Balance at 1 January	**836,532**	149,818
Impairment losses recognised	**349,887**	701,444
Impairment losses reversed	**(229,234)**	–
Amounts written off as uncollectible	**–**	(14,730)
Balance at 31 December	**957,185**	836,532

24. TRADE AND BILLS RECEIVABLES *(Continued)*

Included in the above provision for impairment of trade receivables is a full provision for individually impaired trade receivables of RMB148,741,000 (2014: RMB153,253,000). The individually impaired trade receivables are due from customers that are in financial difficulties and from whom none of the receivables is expected to be recovered.

Ageing of trade receivables which are past due but not impaired:

	2015	2014
	RMB'000	*RMB'000*
Within 1 year	**1,787,127**	1,474,619
1-2 years	**271,266**	284
	2,058,393	1,474,903

Receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

Trade receivables due from related parties included above are disclosed in note 45.

25. TRANSFER OF FINANCIAL ASSETS

The followings were the Group's financial assets that were transferred to banks or suppliers by discounting those receivables on a full recourse basis. As the Group has not transferred the significant risks and rewards relating to these receivables, it continues to recognise the full carrying amount of the receivables and has recognised the cash received on the transfer as a secured borrowing. These financial assets are carried at amortised cost in the Group's consolidated statement of financial position.

As at 31 December 2015

	Bills receivables discounted to banks with full recourse *RMB'000*	**Bills receivables endorsed to suppliers with full recourse** *RMB'000*	**Total** *RMB'000*
Carrying amount of transferred assets	**302,000**	**–**	**302,000**
Carrying amount of associated liabilities	**(302,000)**	**–**	**(302,000)**
	–	**–**	**–**

As at 31 December 2014

	Bills receivables discounted to banks with full recourse *RMB'000*	Bills receivables endorsed to suppliers with full recourse *RMB'000*	Total *RMB'000*
Carrying amount of transferred assets	1,182,999	482,860	1,665,859
Carrying amount of associated liabilities	(1,182,999)	(482,860)	(1,665,859)
	–	–	–

In addition, the Group has derecognised these bills receivables and the payables to suppliers in their entirety as in the opinion of the directors of the Company, the Group has transferred substantially all the risks and rewards of ownership of these bills and has discharged its obligation of the payables to its suppliers under the relevant PRC practice, rule and regulations.

25. TRANSFER OF FINANCIAL ASSETS *(Continued)*

As at 31 December 2015, the Group's maximum exposure to loss and cash outflow, which is same as the amount payable by the Group to banks or the suppliers in respect of the discounted bills and endorsed bills, should the issuing banks fail to settle the bills on maturity date, amounted to RMB4, 979,798,000 and RMB1,044,543,000 (2014: RMB2,690,817,000 and RMB907,991,000), respectively.

All the bills receivables discounted to banks or endorsed to suppliers of the Group have a maturity date of less than six months from the end of the reporting period.

26. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2015	2014
	RMB'000	*RMB'000*
Prepayments	**1,732,390**	1,647,515
Deposits and other receivables, net of allowance for doubtful debts	**3,280,243**	3,006,552
Prepaid value-added tax	**1,786,072**	1,222,052
Interest receivables	**131,498**	261,667
	6,930,203	6,137,786

Movement in the allowance for doubtful debts:

	2015	2014
	RMB'000	*RMB'000*
Balance at 1 January	**333,274**	52,730
Impairment losses recognised	**317,713**	283,815
Impairment losses reversed	**(370)**	(3,271)
Balance at 31 December	**650,617**	333,274

Included in deposits and other receivables as at 31 December 2015 are futures margin deposits of RMB1,519,074,000 (2014: RMB1,484,718,000).

Prepayments, deposits and other receivables due from related parties included above are disclosed in note 45.

27. OTHER INVESTMENTS

	2015	2014
	RMB'000	*RMB'000*
Loan investments *(note a)*	**311,799**	1,100,000
Structured deposits *(note b)*	**–**	140,000
	311,799	1,240,000
Non-current assets	**–**	100,000
Current assets	**311,799**	1,140,000
	311,799	1,240,000

Notes:

(a) The amount represented loan investments arranged via a bank to an independent security company (2014: two independent security companies) with high credit-ratings and good reputation and other floating rate financial products. The loan receivables have maturity dates of 8 October 2016 (2014: 27 September 2015 and 8 October 2016) and were unsecured and carried particular interest rates. The floating rate products are expected to receive 6% return and mature in 2016.

(b) The amount represented structured deposits arranged via a bank with high credit-ratings and good reputation. The investment carried interest rates from 0.35% to 4.90% per annum.

28. LOANS TO FELLOW SUBSIDIARIES

The amounts were guaranteed by JCC, interest bearing at 4.35% per annum (2014: 5.4% per annum) and were repayable within one year.

29. DERIVATIVE FINANCIAL INSTRUMENTS

	2015		2014	
	Fair value		Fair value	
	Assets	**Liabilities**	Assets	Liabilities
	RMB'000	***RMB'000***	*RMB'000*	*RMB'000*
Net settlement:				
Commodity derivative contracts	**347,580**	**(169,963)**	278,660	(170,557)
Provisional price arrangement	**207,300**	**–**	70,623	–
Foreign currency forward contracts and interest rate swaps	**60,120**	**(40,745)**	1,602	(103,389)
	615,000	**(210,708)**	350,885	(273,946)

29. DERIVATIVE FINANCIAL INSTRUMENTS *(Continued)*

	2015 *RMB'000*	2014 *RMB'000*
Derivatives qualifying for hedge accounting:		
Cash flow hedges		
– Commodity derivative contracts	**1,130**	42,753
Fair value hedges		
– Provisional price arrangement	**198,693**	59,015
	199,823	101,768
Derivatives not qualifying for hedge accounting:		
– Commodity derivative contracts	**2,474**	1,727
– Provisional price arrangement	**8,607**	11,608
	11,081	13,335
Derivatives not under hedge accounting		
– Commodity derivative contracts	**174,013**	63,623
– Foreign currency forward contracts and interest rate swaps	**19,375**	(101,787)
	193,388	(38,164)
	404,292	76,939

The Group uses commodity derivative contracts and provisional price arrangement to hedge its commodity price risk. Commodity derivative contracts utilised by the Group are mainly standardised copper cathode future contracts in SHFE and LME.

29. DERIVATIVE FINANCIAL INSTRUMENTS *(Continued)*

(a) Derivatives under hedge accounting:

For the purpose of hedge accounting, hedges of the Group are classified as:

– Cash flow hedge

The Group utilises commodity derivative contracts to hedge its exposure to variability in cash flows attributable to price fluctuation risk associated with highly probable forecast sales of copper related products. As at 31 December 2015, the expected delivery period of the forecasted sales for copper related products was from January to March 2016 (2014: from January to March 2015).

– Fair value hedge

The Group utilises commodity derivative contracts and provisional price arrangement to hedge its exposure to variability in fair value changes attributable to price fluctuation risk associated with inventories. In addition, the Group utilises commodity derivative contracts to hedge its exposure to variability in fair value changes attributable to price fluctuation risk associated with unrecognised firm commitment to sell copper rods.

At the inception of above hedging relationships, the Group formally designates and documents the hedge relationship, risk management objective and strategy for undertaking the hedge. The cash flow hedge and fair value hedge mentioned above were assessed to be highly effective.

(b) Derivatives not under hedge accounting:

The Group utilises commodity derivative contracts to manage the commodity price risk of forecasted purchases of copper cathode as well as copper component within copper concentrate, and forecasted sales of copper wires and rods. These arrangements are designed to reduce significant fluctuations in the prices of copper concentrate, copper cathodes, copper wires and rods, and copper related products which move in line with the prevailing price of copper cathode.

The Group utilises gold commodity derivative contracts to manage the fair value change risk of the obligation to return gold with same quantity and quality to banks under gold lease contracts. These arrangements are designed to address significant fluctuation in the fair value of the obligation which move in line with the prevailing price of gold.

In addition, the Group has entered into various foreign currency forward contracts and interest rate swaps to manage its exposures on exchange rate and interest rate.

However, these commodity derivative contracts, foreign currency forward contracts and interest rate swaps are not designated as hedging instruments or not qualified for hedging accounting.

30. BANK BALANCES AND CASH/RESTRICTED BANK DEPOSITS

Restricted bank deposits included: (i) time deposits of RMB3,134,672,000 (2014: RMB4,251,899,000) which were pledged to secure bank borrowings, letters of credit, guarantees and acceptances issued, and environment protection deposits; and (ii) required reserve deposits of RMB840,785,000 (2014: RMB1,692,746,000) which were placed with the People's Bank of China, for a subsidiary of the Group providing deposit, loan, financing consultation services. The required reserve deposits with the central bank and the other pledged deposits are not available for use in the Group's daily operation.

As at 31 December 2015, bank balances and cash denominated in currencies other than RMB amounted to RMB8,060,314,000 (2014: RMB2,804,305,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

31. TRADE AND BILLS PAYABLES

	2015	2014
	RMB'000	*RMB'000*
Trade payables	**4,286,670**	10,348,877
Bills payables	**4,288,350**	599,615
	8,575,020	10,948,492

The ageing analysis of trade and bills payables is presented based on the invoice date at the end of the reporting period as follows:

	2015	2014
	RMB'000	*RMB'000*
Within 1 year	**8,519,959**	10,865,337
1-2 years	**35,570**	48,963
2-3 years	**10,733**	26,666
Over 3 years	**8,758**	7,526
	8,575,020	10,948,492

The trade payables are normally settled on 60-day to one-year terms.

Trade payables due to related parties included in trade and bills payables are disclosed in note 45.

32. OTHER PAYABLES AND ACCRUALS

	2015 RMB'000	2014 RMB'000
Payroll and welfare	**619,811**	647,699
Current portion of employee benefit liability *(note 39)*	**8,013**	45,739
Interest payable	**169,006**	168,804
Other tax payables	**170,363**	199,010
Dividend payable to non-controlling interests of a subsidiary	**–**	10,800
Other payables	**2,101,764**	1,499,009
Advance from customers	**1,616,660**	1,619,622
Other long-term payables due within one year *(note 40)*	**2,010**	2,010
	4,687,627	4,192,693

Other payables and accruals due to related parties included in other payables and accruals are disclosed in note 45.

33. DEPOSITS FROM HOLDING COMPANY AND FELLOW SUBSIDIARIES

Deposits from holding company and fellow subsidiaries represented the deposits placed by related parties in a subsidiary of the Group. The deposits carry interest at rates ranging from 0.35% to 2.93% (2014: 0.35% to 4.13%) per annum and will be repaid upon demand of holding company and fellow subsidiaries.

34. DEFERRED REVENUE – GOVERNMENT GRANTS

	2015 RMB'000	2014 RMB'000
Balance at 1 January	**508,701**	409,884
Received during the year	**226,162**	136,852
Recognised in profit or loss *(note 6)*	**(51,716)**	(38,035)
Balance at 31 December	**683,147**	508,701
Analysed for reporting purpose as:		
Non-current liabilities	**634,159**	472,978
Current liabilities	**48,988**	35,723
	683,147	508,701

34. DEFERRED REVENUE – GOVERNMENT GRANTS *(Continued)*

The deferred revenue represents government subsidies granted to the Group in relation to its production facilities. It is recognised as deferred income and recognised in profit or loss over the expected useful lives of the facilities.

35. HELD-FOR-TRADING FINANCIAL LIABILITIES

The Group entered into certain gold lease contracts with banks. During the lease period, the Group might sell the leased gold to independent third parties. When the lease period expires, the Group shall return the gold with the same quantity and quality to the banks. The obligation to return the gold is recognised as held-for-trading financial liabilities.

36. BANK BORROWINGS

	2015	2014
	RMB'000	*RMB'000*
Bank borrowings – secured	**1,928,827**	5,399,722
Bank borrowings – unsecured	**15,123,659**	16,210,655
	17,052,486	21,610,377
Carrying amount repayable:		
On demand or within one year	**16,704,886**	20,929,923
More than one year, but not exceeding two years	**86,000**	664,704
More than two years, but not exceeding five years	**247,600**	15,750
More than five years	**14,000**	–
	17,052,486	21,610,377
Less: Carrying amount of bank borrowing that was repayable within one year (2014: more than one year but not exceeding two years) from the end of reporting period but contained a repayable on demand clause (shown under current liabilities)	**(3,267,355)**	(180,656)
Amount due within one year shown under current liabilities	**(13,437,531)**	(20,749,267)
	(16,704,886)	(20,929,923)
Amount due after one year shown as non-current liabilities	**347,600**	680,454

The effective annual interest rates on the Group's bank borrowings range from 0.57% to 7.00% (2014: 0.52% to 7.00%) per annum.

37. BONDS PAYABLE

Pursuant to the approval of the China Securities Regulatory Commission (No. [2008] 1102), the Company issued 68,000,000 certificates of bonds with warrants at par with a nominal value of RMB100 each, in an aggregate amount of RMB6.8 billion on 22 September 2008. The bonds with warrants have a life of eight years from the date of issuance and bear interest at a rate of 1.0% per annum which is payable in arrears on 22 September of each year, and with principal repaid on maturity. The bonds carry effective interest rate of 6% per annum. The subscribers of each bond were entitled to receive 25.9 warrants at nil consideration and in aggregate 1,761,200,000 warrants were issued. The warrants had a life of 24 months from the date of listing, that is, from 10 October 2008 to 9 October 2010. At initial recognition, the fair value of the liability component was estimated at the issue date using an equivalent market interest rate for a similar bond without the attached purchase warrants. The residual amount was assigned as the equity component and included in shareholders' equity. All warrants were successfully exercised during the year ended 31 December 2010.

The bonds are listed on the Shanghai Stock Exchange. The fair value of the bonds as at 31 December 2015 was approximately RMB6,720,440,000 (2014: RMB6,411,040,000), which was determined based on the closing market price at the end of the reporting period. The bonds are payable on 21 September 2016.

38. PROVISION FOR REHABILITATION

	2015	2014
	RMB'000	*RMB'000*
Balance at 1 January	**122,465**	148,623
Addition	**8,790**	9,202
Reversal of provision made	**–**	(35,360)
Change in discount rate	**34,440**	–
Balance at 31 December	**165,695**	122,465

The Group makes provision for rehabilitation costs expected to arise on closure of mines. The provision is determined based on the assessments of the cost per square metre to rehabilitate the underground workings, waste dumps, mine site infrastructure, and vegetation zones. The estimation basis is reviewed on an ongoing basis and revised where appropriate.

39. EMPLOYEE BENEFIT LIABILITY

	2015 *RMB'000*	2014 *RMB'000*
Employee benefit liability	**157,564**	233,219
Less: Amount due within one year included in other payables and accruals shown under current liabilities *(note 32)*	**(8,013)**	(45,739)
Amount due after one year shown as non-current liabilities	**149,551**	187,480

The balance represents the bonus payable to senior management and middle-level management under management incentive schemes. The non-current portion of employee benefit liability is payable from 2017 to 2021 (2014: 2016 to 2020) and is indexed to the rate of growth of the Group's net assets.

40. OTHER LONG-TERM PAYABLES

	2015 *RMB'000*	2014 *RMB'000*
The Group's other long-term payables are repayable as follows:		
Within one year	**2,010**	2,010
More than one year, but not exceeding two years	**2,010**	1,254
More than two years, but not exceeding five years	**6,029**	3,390
More than five years	**3,696**	7,847
	13,745	14,501
Less: Amount due within one year included in other payables and accruals shown under current liabilities *(note 32)*	**(2,010)**	(2,010)
Amount due after one year shown as non-current liabilities	**11,735**	12,491

The amount represents the balance due to JCC as the consideration for the transfer of mining rights from JCC to the Company. The amount is repayable in 30 annual instalments of RMB1,870,000 each and subject to payment of interest at a rate equal to the lending rate for a one-year fixed term loan up to a maximum of 15% on each annual instalment starting from 1 January 1998. The interest paid during the year amounted to RMB112,000 (2014: RMB112,000). The interest rate is at 4.30% (2014: 5.60%) per annum.

41. SHARE CAPITAL

	Number of shares	Amount
		RMB'000
Balance at 1 January 2014, 31 December 2014, 1 January 2015 and 31 December 2015		
H shares	1,387,482,000	1,387,482
A shares	2,075,247,405	2,075,247
	3,462,729,405	3,462,729

There were no changes in the Company's authorised, issued and fully paid share capital in both years.

Except for the currency in which dividends are paid and the restrictions as to whether the shareholders should be PRC investors, designated investors or foreign investors, H shares and A shares rank pari passu in all respect with each other.

42. ACQUISITION OF A SUBSIDIARY/DISPOSAL OF A SUBSIDIARY

(a) Acquisition of a subsidiary in 2015

In terms of the shareholders' agreement, the Group had significant influence over 浙江和鼎銅業有限公司("浙江和鼎") and was classified and accounted for as an associate. 浙江和鼎 is engaged in production and sale of copper products. In September 2015, the Group entered into a supplementary agreement (the "Agreement") with another equity owner of which the latter agreed to vote in accordance with the instructions of the Group. As a result of this Agreement, the Group obtained control over 浙江和鼎 and the Group deemed to have disposed of 40% equity interest in 浙江和鼎.

42. ACQUISITION OF A SUBSIDIARY/DISPOSAL OF A SUBSIDIARY *(Continued)*

(a) Acquisition of a subsidiary in 2015 *(Continued)*

The acquisition has been accounted for using the acquisition method. The fair value of the previously held interest and the fair values of the identifiable assets and liabilities of 浙江和鼎 at the deemed acquisition date were as follows:

	Fair value
	RMB'000
Net assets acquired:	
Property, plant and equipment	1,233,827
Prepaid lease payments	149,257
Deposits	21,680
Intangible assets	11,389
Other current assets	1,278,279
Bank balances and cash	589,458
Short-term borrowings	(1,138,452)
Other current liabilities	(896,720)
Other non-current liabilities	(31,253)
Long-term borrowings	(234,000)
Net assets acquired	983,465
Satisfied by:	
Cash consideration	–
Fair value interest in an associate disposed of	376,976
Non-controlling interests	606,489
	983,465
Net cash inflow on acquisition of a subsidiary:	
Cash consideration	–
Cash and cash equivalents acquired	589,458
	589,458

If the deemed acquisition had been completed on 1 January 2015, the total Group's turnover for the year ended 31 December 2015 would have been approximately RMB189,148,452,000, and profit for the year ended 31 December 2015 would have been RMB778,372,000.

The proforma information is for illustrative purposes only and is not necessarily an indication of turnover and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2015, nor is it intended to be a projection of future results.

42. ACQUISITION OF A SUBSIDIARY/DISPOSAL OF A SUBSIDIARY *(Continued)*

(b) Disposal of a subsidiary in 2015

On 28 December 2015, the Group disposed of its subsidiary, 江西銅業民爆礦服有限公司 ("江西民爆"). The net assets of 江西民爆at the date of disposal were as follows:

Consideration received

	RMB'000
Cash consideration received	323,753

Analysis of assets and liabilities over which control was lost

	RMB'000
Property, plant and equipment	47,837
Inventories	1,854
Trade and other receivables	12,896
Bank balances and cash	21,341
Other current assets	6
Trade and other payables	(38,196)
Net assets disposed of	45,738

Gain on disposal of a subsidiary

	RMB'000
Consideration received and receivable	323,753
Less: net assets disposed of	(45,738)
Gain on disposal	278,015

Net cash arising on disposal of a subsidiary

	RMB'000
Cash consideration	323,753
Less: bank balances and cash disposed of	(21,341)
	302,412

42. ACQUISITION OF A SUBSIDIARY/DISPOSAL OF A SUBSIDIARY *(Continued)*

(c) Acquisition of a subsidiary in 2014

In December 2014, the Group acquired 51% equity interest in 江銅華北(天津)銅業有限公司 ("江銅華北"), which is principally engaged in manufacturing and sale of copper products, at a cash consideration of RMB260,204,000. Upon the completion of the acquisition, 江銅華北became a non-wholly owned subsidiary of the Company. 江銅華北 was acquired so as to continue the expansion of the Group's business of manufacturing and sale of copper products and acquire the production line of copper wire.

Consideration

	RMB'000
Cash consideration paid	260,204

Assets acquired at the date of acquisition

	RMB'000
Property, plant and equipment	190,561
Prepaid lease payments	35,385
Other receivables	21,680
Bank balances and cash	262,578
	510,204

Result arising on acquisition

	RMB'000
Consideration	260,204
Plus: Non-controlling interests	250,000
Less: Net assets acquired	(510,204)
	–

42. ACQUISITION OF A SUBSIDIARY/DISPOSAL OF A SUBSIDIARY *(Continued)*

(c) Acquisition of a subsidiary in 2014 *(Continued)*

Net cash inflow on acquisition

	RMB'000
Cash consideration paid	(260,204)
Less: Cash and cash equivalents acquired	262,578
	2,374

43. OPERATING LEASES

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	2015	2014
	RMB'000	*RMB'000*
Within one year	**167,353**	170,318
In the second to fifth years inclusive	**167,927**	335,187
	335,280	505,505

Operating lease payments represent rentals payable by the Group for certain of its office premises and land use rights. Leases are negotiated for an average term of three years (2014: three years) and rentals are fixed for an average of three years (2014: three years).

44. COMMITMENTS

	2015	2014
	RMB'000	*RMB'000*
Capital expenditure contracted for but not provided in the Group's consolidated financial statements in respect of:		
Acquisition of property, plant and equipment and exploration and evaluation rights	**1,087,896**	825,300
Investments in an associate-MCC-JCL *(note)*	**1,500,504**	1,413,944
	2,588,400	2,239,244
Capital expenditure authorised but not contracted for in respect of:		
Acquisition of property, plant and equipment and exploration rights	**1,021,260**	1,223,823

Note: The Company and China Metallurgical Group Corporation ("CMCC") incorporated MCC-JCL, an associate of the Group in September 2008. Prior to the introduction of other independent investors, the initial shareholding of the Company and CMCC in the MCC-JCL shall be 25% and 75%, respectively. The principal business of MCC-JCL is the exploration and exploitation of minerals in the Central and Western mineralised zones in Aynak Mine in Afghanistan.

The total investment of MCC-JCL shall initially be USD4,390,835,000 and shall be funded by equity funding from shareholders and by project loan financing in the proportions of 30% and 70%, respectively. The capital injection shall be contributed by the Company and CMCC on a pro rata basis. The Company shall not be obliged to provide guarantees, indemnities or capital commitments for the project loan financing.

45. RELATED PARTY TRANSACTIONS

(a) Transactions with related parties

In addition to the related party transactions set out in the respective notes to the consolidated financial statements, the Group entered into the following material transactions with related parties during the year:

	2015	2014
	RMB'000	*RMB'000*
Sales to holding company		
Sales of auxiliary industrial products	**1,234**	4,093
Sales to fellow subsidiaries		
Sales of copper rods and wire	**493,772**	714,595
Sales of copper cathode	**520,196**	269,655
Sales of by-products	**–**	111,828
Sales of lead material	**47,461**	56,698
Sales of zinc concentrate	**26,498**	31,627
Sales of auxiliary industrial products	**147,954**	57,800
Sales of sulphuric acid	**54**	–
Sales of copper waste	**3,266**	–
Sales of auxiliary materials	**41**	–
	1,239,242	1,242,203
Sales to an associate		
Sales of sulphur and auxiliary industrial products	**–**	750
Sales to a joint venture		
Sales of auxiliary industrial products	**3,021**	2,156
Sales to non-controlling interests of a subsidiary		
Sales of copper cathode	**4,509,713**	9,194,422
Sales of copper rod	**1,546,136**	424,599
Sales of other non-ferrous metals	**7,040**	–
Sales of auxiliary products	**233,108**	–
	6,295,997	9,619,021

45. RELATED PARTY TRANSACTIONS *(Continued)*

(a) Transactions with related parties *(Continued)*

	2015	2014
	RMB'000	*RMB'000*
Purchases from holding company		
Purchases of auxiliary industrial products	**13,754**	7
Purchases from fellow subsidiaries		
Purchases of auxiliary industrial products	**151,697**	130,842
Purchases of sulphuric acid	**–**	10,784
Purchases of crude copper	**–**	20,938
	151,697	162,564
Purchases from associates		
Purchases of copper waste	**17,444**	155,166
Purchases from a joint venture		
Purchases of cupric sulphide	**50,089**	40,506
Purchases from non-controlling interests of a subsidiary		
Purchases of copper cathode	**2,423,613**	1,283,589
Purchases of copper waste	**245,095**	–
Purchases of auxiliary industrial products	**38,729**	–
	2,707,437	1,283,589
Financial service received from fellow subsidiaries		
Interest received from loans provided	**44,548**	20,060
Financial services paid to holding company		
Interest paid for deposits made	**2,863**	2,233
Financial services paid to fellow subsidiaries		
Interest paid for deposits made	**10,010**	5,129

45. RELATED PARTY TRANSACTIONS *(Continued)*

(a) Transactions with related parties *(Continued)*

	2015 RMB'000	2014 RMB'000
Service fees paid to holding company		
Land lease expenses	**166,665**	166,665
Labour services	**11,519**	1,383
Construction services	**–**	4,423
Vehicle transportation services	**1,329**	–
Rentals for public facilities	**–**	1,598
	179,513	174,069
Service fees paid to fellow subsidiaries		
Repair and maintenance services	**104,016**	127,935
Brokerage agency services for commodity derivative contracts	**6,533**	20,467
Labour services	**74,472**	10,979
Construction services	**–**	5,360
Vehicle transportation services	**–**	1,626
Sanitation and greening service	**2,968**	–
Agency services	**4,113**	–
	192,102	166,367
Service fees received from holding company		
Construction services	**3,615**	–
Supply of electricity	**530**	9,714
Vehicle transportation services	**7,571**	166
Supply of equipment with design and installation service	**–**	5,910
Rentals for public facilities and other services	**649**	–
Supply of water	**–**	263
Repair and maintenance services	**268**	4,412
Others	**1,818**	–
	14,451	20,465

45. RELATED PARTY TRANSACTIONS *(Continued)*

(a) Transactions with related parties *(Continued)*

	2015 **RMB'000**	2014 RMB'000
Service fees received from fellow subsidiaries		
Construction services	**144,372**	91,508
Supply of electricity	**30,733**	32,481
Vehicle transportation services	**–**	20,157
Supply of equipment with design and installation service	**395**	9,751
Rentals for public facilities and other services	**10,996**	8,175
Supply of water	**–**	48
Repair and maintenance services	**14,484**	3,601
Others	**17,563**	–
	218,543	165,721
Service fees received from associates		
Construction services	**627**	4,436
Service fees received from a joint venture		
Construction services	**–**	1,281
Other services	**8,894**	–
	8,894	1,281
Service fees received from non-controlling interests of a subsidiary		
Processing services	**20,373**	–
Interest received from trade receivables	**–**	4,131
	20,373	4,131
Loans to fellow subsidiaries	**979,046**	913,000
Repayment of loans to fellow subsidiaries	**–**	30,000

45. RELATED PARTY TRANSACTIONS *(Continued)*

(a) Transactions with related parties *(Continued)*

During the years ended 31 December 2015 and 2014, the Group's investment properties were leased to fellow subsidiaries of the Group free of charge.

The related party transactions except for transactions with associates, joint ventures and non-controlling interests of a subsidiary above constitute connected transactions or continuing connected transactions as defined on Chapter 14A of the Listing Rules.

Having due regard to the substance of the relationships, the directors are of the opinion that meaningful information relating to related party disclosures has been adequately disclosed.

(b) Compensation of key management personnel of the Group

The remuneration of key management during the year was as follows:

	2015	2014
	RMB'000	*RMB'000*
Short-term employees benefits	**8,842**	13,931
Post-employment benefits	**592**	504
Performance related bonus	**50**	6,323
	9,484	20,758

45. RELATED PARTY TRANSACTIONS *(Continued)*

(c) Balances with related parties

At the end of the reporting period, the Group have the following balances with related parties:

	2015	2014
	RMB'000	*RMB'000*
Trade and bills receivables due from holding company	**2,835**	377
Trade and bills receivables due from fellow subsidiaries	**338,612**	589,106
Trade and bills receivables due from associates	**535**	3,102
Trade and bills receivables due from a joint venture	**1,789**	–
Trade and bills receivables due from non-controlling interests of a subsidiary	**18,463**	56,888
Prepayments and other receivables due from holding company	**8,731**	5,792
Prepayments and other receivables due from fellow subsidiaries	**995,789**	839,731
Prepayment and other receivables due from non-controlling interests of a subsidiary	**119,099**	15,521
Prepayments and other receivables due from associates	**3,398**	1,479
Prepayments and other receivable due from a joint venture	**2,917**	900
Loans to fellow subsidiaries	**945,209**	878,585
Trade and bills payables due to holding company	**2,815**	1,934
Trade and bills payables due to fellow subsidiaries	**42,770**	51,915
Trade and bills payables due to a joint venture	**1,435**	3,198
Trade and bills payables due to non-controlling interests of a subsidiary	**39,584**	163,203
Other payables and accruals due to holding company	**173,615**	38,293
Other payables and accruals due to fellow subsidiaries	**53,460**	32,947
Other payables and accruals due to non-controlling interests of a subsidiary	**2,478**	17,046
Deposits from holding company	**268,229**	255,404
Deposits from fellow subsidiaries	**1,343,347**	624,388
Other long-term payables due to holding company	**13,745**	14,501

45. RELATED PARTY TRANSACTIONS *(Continued)*

(d) Transactions/balances with other state-controlled entities

The Group itself is part of a larger group of companies under the State-owned Assets Supervision & Administration Commission of the People's Government of Jiangxi Province which is controlled by the PRC government and the Group operates in an economic environment currently pre-dominated by entities controlled, jointly controlled or significantly influenced by the PRC government.

Apart from the transactions with the parent company and its subsidiaries which have been disclosed in other notes to the consolidated financial statements, the Group also conducts business with entities directly or indirectly controlled, jointly controlled or significantly influence by the PRC government in the ordinary course of business, including majority of its bank deposits and the corresponding interest income, certain bank borrowings and the corresponding finance costs, and significant purchases and sales of copper and other related products.

46. FINANCIAL INSTRUMENTS

(a) Capital risk management

The primary objective of the Group's capital management is to ensure that it has sufficient capital in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or obtain additional capital from shareholders. No changes were made in the objectives, policies or processes for managing capital during both years.

The Group monitors capital using a gearing ratio, which is net debt divided by the adjusted capital plus net debt. The Group's policy is to maintain the gearing ratio between 10% and 50%. Net debt includes interest-bearing bank borrowings, trade and bills payables, financial liabilities included in the other payables and accruals less cash and cash equivalents. Adjusted capital includes equity attributable to owners of the Company less the hedging reverses.

46. FINANCIAL INSTRUMENTS *(Continued)*

(b) Categories of financial instruments

	2015	2014
	RMB'000	*RMB'000*
Financial assets		
Loans and receivables (including cash and cash equivalents)		
– Trade and bills receivables	**14,205,827**	17,344,604
– Other receivables	**3,407,744**	3,268,219
– Other investments	**311,799**	1,240,000
– Loans to fellow subsidiaries	**945,209**	878,585
– Restricted bank deposits	**3,975,457**	5,944,645
– Bank balances and cash	**16,705,051**	19,394,219
	39,551,087	48,070,272
Financial assets at FVTPL		
Held-for-trading financial assets	**156,947**	48,159
Derivative financial instruments	**613,870**	308,132
	770,817	356,291
Derivative financial instruments in designated		
Hedge accounting relationships	**1,130**	42,753
Available-for-sale investments	**3,647,749**	2,331,529

46. FINANCIAL INSTRUMENTS *(Continued)*

(b) Categories of financial instruments *(Continued)*

	2015	2014
	RMB'000	*RMB'000*
Financial liabilities		
Amortised cost		
– Trade and bills payables	**8,575,020**	10,948,492
– Other payables	**1,753,481**	1,499,011
– Deposits from holding company and fellow subsidiaries	**1,611,576**	879,792
– Deposits from third parties	**133,939**	171,379
– Bank borrowings	**17,052,486**	21,610,377
– Bonds payable	**6,554,733**	6,246,297
– Other long-term payables	**13,745**	14,501
	35,694,980	41,369,849
Financial liabilities at FVTPL		
Held-for-trading financial liabilities	**1,758,825**	2,416,717
Derivative financial instruments	**210,708**	273,946
	1,969,533	2,690,663
Derivative financial instruments in designated Hedge accounting relationships	**–**	–

46. FINANCIAL INSTRUMENTS *(Continued)*

(c) Financial risk management objectives and policies

The Group's major financial instruments include available-for-sale investments, trade and bills receivables, other receivables, other investments, loans to fellow subsidiaries, restricted bank deposits, bank balances and cash, held-for trading financial assets, trade and bills payables, other payables, deposits from holding company and fellow subsidiaries, bank borrowings, bonds payable, other long-term payables, held-for trading financial liabilities and derivative financial instruments. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Interest rate risk

The Group's exposure to interest rate risk for changes in interest rates relates primarily to the Group's cash at bank and bank borrowings with floating interest rates. The management continuously monitors interest rate fluctuation and will consider further hedging interest rate risk should the need arise.

The Group's bank balances have exposure to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate on bank balances. The management considers the Group's exposure of the short-term bank deposits to interest rate risk is not significant as interest bearing bank balances are within short maturity period.

The sensitivity analysis below has been determined based on the exposure to interest rates for floating interest bearing bank borrowings at the end of reporting period assuming the stipulated changes taking place at the beginning of the reporting period and held constant throughout the reporting period.

If interest rates had been 100 basis points (2014: 100 basis points) higher/lower and all other variables were held constant, the Group's profit before taxation would decrease/increase by RMB14,815,000 (2014: decrease/increase by RMB10,020,000).

46. FINANCIAL INSTRUMENTS *(Continued)*

(c) Financial risk management objectives and policies *(Continued)*

Foreign currency risk

The carrying amounts of the Group's monetary assets and monetary liabilities denominated in foreign currencies, i.e. currency other than the functional currency of the respective group entities, which are mainly trade and other receivables, restricted bank deposits, bank balances and cash, trade and other payables, bank borrowings and derivative financial instruments, at the end of the reporting period are as follows:

	Assets		**Liabilities**	
	2015	2014	**2015**	2014
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
USD	**9,328,151**	5,612,406	**12,399,706**	14,178,172
RMB	**460,083**	1,081,672	**343,871**	1,307
HKD	**–**	–	**33,388**	–
New Zealand dollars ("NZD")	**–**	–	**–**	731,688
Australian dollars ("AUS")	**592**	557	**–**	155,866
Japanese Yen ("JPY")	**–**	–	**67,669**	64,704
European dollars ("EUR")	**190,006**	–	**–**	–
Singapore dollars ("SGD")	**–**	–	**141,314**	–

46. FINANCIAL INSTRUMENTS *(Continued)*

(c) Financial risk management objectives and policies *(Continued)*

Foreign currency risk *(Continued)*

The Group does not carry out active currency hedging. Currency protection measures may be needed in specific commercial circumstances and are subject to strict limits laid down by the board of directors.

The Group is mainly exposed to foreign currency risk in USD, HKD, NZD, AUS, JPY, EUR, SGD and TRY against RMB. In addition, overseas subsidiaries exposed to RMB currency risk. The following table details the Group's sensitivity to a 5% change in the respective foreign currencies against RMB. The 5% is the rate used when reporting foreign currency risk internally to key management personnel and represents directors' assessment of the possible change in foreign exchange rates. The sensitivity analysis of the Group's exposure to foreign currency risk at the reporting date has been determined based on the change taking place at the end of the reporting periods and held constant throughout the reporting period.

	(Decrease) increase in profit before taxation	
	2015	2014
	RMB'000	*RMB'000*
If USD strengthens against RMB by 5%	**(33,233)**	(428,288)
If USD weakens against RMB by 5%	**33,233**	428,288
If NZD strengthens against RMB by 5%	**–**	(36,584)
If NZD weakens against RMB by 5%	**–**	36,584
If AUS strengthens against RMB by 5%	**(30)**	(7,765)
If AUS weakens against RMB by 5%	**30**	7,765
If JPY strengthens against RMB by 5%	**(3,383)**	(3,235)
If JPY weakens against RMB by 5%	**3,383**	3,235
If HKD strengthens against RMB by 5%	**1,669**	–
If HKD weakens against RMB by 5%	**(1,669)**	–
If EUR strengthens against RMB by 5%	**9,500**	–
If EUR weakens against RMB by 5%	**(9,500)**	–
If SGD strengthens against RMB by 5%	**(7,066)**	–
If SGD weakens against RMB by 5%	**7,066**	–
If RMB strengthens against HKD by 5%	**6,425**	47,764
If RMB weakens against HKD by 5%	**(6,425)**	(47,764)
If RMB strengthens against SGD by 5%	**865**	6,148
If RMB weakens against SGD by 5%	**(865)**	(6,148)
If RMB strengthens against TRY by 5%	**(1,479)**	106
If RMB weakens against TRY by 5%	**1,479**	(106)

In directors' opinion, the sensitivity analysis is unpresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

46. FINANCIAL INSTRUMENTS *(Continued)*

(c) Financial risk management objectives and policies *(Continued)*

Commodity price risk

The Group's commodity price risk is mainly the exposure to fluctuations in the prevailing market price of copper cathodes which are the major commodities produced and sold by the Group. To minimise this risk, the Group enters into commodity derivative contracts and provisional price arrangements to manage the Group's exposure in relation to forecasted sales of copper products, forecasted purchases of copper concentrate, inventories and firm commitments to sell copper rods and wires.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in prevailing market price of copper cathodes, with all other variables held constant, of the Group's profit before taxation and equity (due to changes in the fair values of commodity derivative contracts and the provisional price arrangement) after the impact of hedge accounting.

	(Decrease) increase in profit before taxation	
	2015	2014
	RMB'000	*RMB'000*
If market price of cooper increased by 5%	**(138,338)**	(159,484)
If market price of copper decreased by 5%	**138,338**	159,484

Credit risk

The Group trades only with recognised and creditworthy customers. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents, available-for-sale investments, other receivables, other investments, loans to fellow subsidiaries and certain derivative instruments and discounted and endorsed bills arrangement with full recourse, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

There is no requirement for collateral and no significant concentrations of credit risk within the Group. As at 31 December 2015, 23.00% (2014: 28.56%) of the Group's trade receivables were due from the Group's five largest customers.

There is concentration of credit risk on restricted bank deposits and bank balances for the Group at the end of reporting period. The credit risk on liquid funds is limited because majority of counterparties are banks with high credit-ratings assigned by international credit-rating agencies and state owned banks with good reputation.

46. FINANCIAL INSTRUMENTS *(Continued)*

(c) Financial risk management objectives and policies *(Continued)*

Liquidity risk

The Group's treasury department monitors the Group's cash flow positions on a regular basis to ensure the cash flows of the Group are positive and closely controlled. The Group aims to maintain flexibility in funding by keeping committed credit lines available, and borrowing loans from banks.

Other than discounted and endorsed bills with full recourse which were derecognised by the Group (see note 25 for details) and discussed elsewhere in these consolidated financial statements, the table below summarises the maturity profile of the Group's financial liabilities at the end of the reporting period based on the contractual undiscounted payments.

	Weighted average effective interest rate	On demand and within one year	Over 1 year but not more than 5 years	Over 5 years	Total undiscounted cash flows	Carrying amount
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 31 December 2015						
Non-derivative financial liabilities						
Trade and bills payables	–	8,575,020	–	–	8,575,020	8,575,020
Other payables	–	1,753,481	–	–	1,753,481	1,753,481
Deposits from holding company and fellow subsidiaries	2.24%	1,647,675	–	–	1,647,675	1,611,576
Deposits from third parties	2.24%	135,544	–	–	135,544	133,939
Bank borrowings	2.60%	17,170,952	357,298	–	17,528,250	17,052,486
Bonds payables	1.00%	6,620,280	–	–	6,620,280	6,554,733
Held-for-trading financial liabilities	–	1,758,825	–	–	1,758,825	1,758,825
Other long-term payables	6.00%	14,569	–	–	14,569	13,745
		37,676,346	357,298	–	38,033,644	37,453,805
Derivative – net settlement						
– net inflow		(615,000)	–	–	(615,000)	(615,000)
– net outflow		210,708	–	–	210,708	210,708
		(404,292)	–	–	(404,292)	(404,292)

46. FINANCIAL INSTRUMENTS *(Continued)*

(c) Financial risk management objectives and policies *(Continued)*

Liquidity risk *(Continued)*

	Weighted average effective interest rate	On demand and within one year *RMB'000*	Over 1 year but not more than 5 years *RMB'000*	Over 5 years *RMB'000*	Total undiscounted cash flows *RMB'000*	Carrying amount *RMB'000*
At 31 December 2014						
Non-derivative financial liabilities						
Trade and bills payables	–	10,948,492	–	–	10,948,492	10,948,492
Other payables	–	1,499,011	–	–	1,499,011	1,499,011
Deposits from holding company and fellow subsidiaries	2.24%	899,499	–	–	899,499	879,792
Deposits from third parties	2.24%	175,388	–	–	175,388	171,379
Bank borrowings	3.04%	21,429,349	691,515	17,249	22,138,113	21,610,377
Bonds payables	1.00%	68,000	6,851,000	–	6,919,000	6,246,297
Held-for-trading financial liabilities	–	2,416,717	–	–	2,416,717	2,416,717
Other long-term payables	6.00%	2,010	8,039	16,078	26,127	14,501
		37,438,466	7,550,554	33,327	45,022,347	43,786,566
Derivative – net settlement						
– net inflow		(350,885)	–	–	(350,885)	(350,885)
– net outflow		273,946	–	–	273,946	273,946
		(76,939)	–	–	(76,939)	(76,939)

Bank borrowings with a repayment on demand clause is included in the "on demand and within 1 year" time band in the above maturity analysis. As at 31 December 2015, the aggregate undiscounted principal amounts of this bank borrowing amounted to RMB3,267,355,000 (2014: RMB180,656,000). Taking into account the Group's financial position, the directors do not believe that it is probable that the bank will exercise its discretionary rights to demand immediate repayment. The directors believe that such bank borrowing will be repaid two years after the end of the reporting period in accordance with the scheduled repayment dates set out in the loan agreements. At that time, the aggregate principal and interest cash outflows will amount to RMB3,293,302,000 (2014: RMB185,887,000).

46. FINANCIAL INSTRUMENTS *(Continued)*

(d) Fair value measurements of financial instruments

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are quoted prices (unadjusted) in active market for identical assets or liabilities;

- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

46. FINANCIAL INSTRUMENTS *(Continued)*

(d) Fair value measurements of financial instruments *(Continued)*

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis *(Continued)*

Financial assets/financial liabilities	Fair value as at 31 December 2015	Fair value as at 31 December 2014	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
1. Listed equity securities classified as held-for-trading financial assets	Assets - RMB27,931,000	Assets - RMB747,000	Level 1	Quoted bid prices in active markets.	N/A	N/A
2. Listed debenture investments classified as held-for-trading financial assets	Assets - RMB129,016,000	Assets - RMB47,412,000	Level 1	Quoted bid prices in active markets.	N/A	N/A
3. Standardised commodity derivative contracts classified as derivative financial instruments	Assets - RMB187,595,000 Liabilities - RMB8,583,000	Assets - RMB244,302,000 Liabilities - RMB23,919,000	Level 1	Quoted bid prices in active markets.	N/A	N/A
4. Gold lease contracts classified as held-for-trading financial liabilities	Liabilities - RMB1,758,825,000	Liabilities - RMB2,416,717,000	Level 1	Quoted bid prices in active markets.	N/A	N/A
5. Non-standardised commodity derivative contracts classified as derivative financial instruments	Assets - RMB159,985,000 Liabilities - RMB161,380,000	Assets - RMB34,358,000 Liabilities - RMB146,638,000	Level 2	Discounted cash flow or option pricing models. The fair value of the commodity derivative contracts is estimated by reference to the quoted bid prices of similar standardised commodity derivative contracts at the end of the reporting period.	N/A	N/A
6. Foreign currency forward contracts classified as derivative financial instruments	Assets - RMB60,120,000 Liabilities - RMB40,109,000	Assets - RMB1,602,000 Liabilities - RMB103,014,000	Level 2	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.	N/A	N/A

46. FINANCIAL INSTRUMENTS *(Continued)*

(d) Fair value measurements of financial instruments *(Continued)*

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis *(Continued)*

Financial assets/financial liabilities	Fair value as at 31 December 2015	Fair value as at 31 December 2014	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
7. Interest rate swap contracts classified as derivative financial instruments	Liabilities - RMB636,000	Liabilities - RMB375,000	Level 2	Discounted cash flow. Future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the reporting period) and contract interest rates, discounted at a rate that reflects the credit risk of various counterparties.	N/A	N/A
8. Provisional price arrangement classified as derivative financial instruments	Assets - RMB207,300,000	Assets - RMB70,623,000	Level 2	Discounted cash flow. The fair value of the provisional price arrangement is estimated by reference to the quoted bid prices of similar standardised commodity derivative contracts at the end of the reporting period and the inception price of the contracts.	N/A	N/A
9. Bonds investment classified as available-for-sale investments	Assets - RMB71,224,000	Assets - RMB80,080,000	Level 2	Discounted cash flow. Fair value are estimated based on its expected cash flows discounted by quoted annual return rate of similar bonds investments.	N/A	N/A

46. FINANCIAL INSTRUMENTS *(Continued)*

(d) Fair value measurements of financial instruments *(Continued)*

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis *(Continued)*

Financial assets/financial liabilities	Fair value as at 31 December 2015	Fair value as at 31 December 2014	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
10. Financial products classified as available-for-sale investments	Assets - RMB1,338,445,000	Assets - RMB963,000,000	Level 3	Discounted cash flow. Fair value are estimated based on its expected cash flows discounted by unquoted annual return rate of similar financial products.	Unquoted annual return rate of similar financial products provided by counterparties.	The higher the unquoted annual return rate, the lower the fair value.
11. Loan investments classified as available-for-sale investments	Assets - RMB1,780,000,000	Assets - RMB880,000,000	Level 3	Discounted cash flow. Fair value are estimated based on its expected cash flows discounted by unquoted annual return rate of similar financial products.	Unquoted annual return rate of similar financial products provided by counterparties.	The higher the unquoted annual return rate, the lower the fair value.

There were no transfers between Level 1, 2 and 3 during the year.

46. FINANCIAL INSTRUMENTS *(Continued)*

(d) Fair value measurements of financial instruments *(Continued)*

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis *(Continued)*

	2015			
	Level 1	**Level 2**	**Level 3**	**Total**
	RMB'000	***RMB'000***	***RMB'000***	***RMB'000***
Fair value hierarchy				
Financial assets at FVTPL				
Held-for-trading financial assets	**156,947**	**–**	**–**	**156,947**
Derivative financial instruments	**187,595**	**427,405**	**–**	**615,000**
Available-for-sale investments	**–**	**71,224**	**3,118,445**	**3,189,669**
Total	**344,542**	**498,629**	**3,118,445**	**3,961,616**
Financial liabilities at FVTPL				
Held-for-trading financial liabilities	**1,758,825**	**–**	**–**	**1,758,825**
Derivative financial instruments	**8,583**	**202,125**	**–**	**210,708**
Total	**1,767,408**	**202,125**	**–**	**1,969,533**

	2014			
	Level 1	Level 2	Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Fair value hierarchy				
Financial assets at FVTPL				
Held-for-trading financial assets	48,159	–	–	48,159
Derivative financial instruments	244,303	106,582	–	350,885
Available-for-sale investments	–	80,080	1,843,000	1,923,080
Total	292,462	186,662	1,843,000	2,322,124
Financial liabilities at FVTPL				
Held-for-trading financial liabilities	2,416,717	–	–	2,416,717
Derivative financial instruments	23,919	250,027	–	273,946
Total	2,440,636	250,027	–	2,690,663

46. FINANCIAL INSTRUMENTS *(Continued)*

(d) Fair value measurements of financial instruments *(Continued)*

Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)

Except as detailed in the following table, the directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values:

	2015		2014	
	Carrying amount	**Fair value**	Carrying amount	Fair value
	RMB'000	***RMB'000***	*RMB'000*	*RMB'000*
Financial liabilities				
Bonds payable	**6,554,733**	**6,720,440**	6,246,297	6,411,040

Reconciliation of Level 3 fair value measurements

Reconciliation of Level 3 fair value measurement of available-for-sale investments:

	2015	2014
	RMB'000	*RMB'000*
Balance at 1 January	**1,843,000**	1,371,500
Total gain recognised in profit or loss	**167,673**	131,273
Purchases	**4,727,500**	4,108,900
Settlements	**(3,619,728)**	(3,768,673)
Balance at 31 December	**3,118,445**	1,843,000

Of the total gains or losses for the period included in profit or loss, RMB192,515,000 (2014: RMB183,033,000) relates to available-for sales investments held at the end of the current reporting period. Fair value gains or losses on available-for sales investments are included in "other gains and losses".

47. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Particulars of principal subsidiaries are as follows:

Name of company	Type	Place of incorporation/ establishment and operations	Paid-up capital/ registered capital	Proportion of equity held by the Company				Proportion of voting power held by the Company		Principal activities
				2015		2014		2015	2014	
				Directly	Indirectly	Directly	Indirectly			
Jiangxi Copper Products Company Limited 江西銅業銅材有限公司	LLC	PRC	RMB225,000,000	**100%**	**–**	100%	–	**100%**	100%	Sale and processing of copper rods and wires
Sichuan Kangtong Copper Company Limited 四川康西銅業有限責任公司	LLC	PRC	RMB286,880,000	**57.14%**	**–**	57.14%	–	**57.14%**	57.14%	Sale of copper materials, precious metal materials and sulphuric acid
Sure Spread Company Limited 保弘有限公司	LLC	Hong Kong	HKD50,000,000	**–**	**100%**	–	100%	**100%**	100%	International trading and provision of related technical service
Jiangxi Copper Alloy Materials Company Limited 江西銅業銅合金材料有限公司	LLC	PRC	RMB199,500,000	**100%**	**–**	100%	–	**100%**	100%	Manufacture and sale of copper rods and wires
Jiangxi Jiangtong-Wengfu Chemical Industry Company Limited 江西省江銅－甕福化工有限責任公司	LLC	PRC	RMB181,500,000	**70%**	**–**	70%	–	**70%**	70%	Manufacture and sale of sulphuric acid and by-products
Shenzhen Jiangxi Copper Marketing Company Limited 深圳江銅營銷有限公司	LLC	PRC	RMB660,000,000	**100%**	**–**	100%	–	**100%**	100%	Sale of copper products
Jiangxi Copper Shanghai Trading Company Limited 上海江銅營銷有限公司	LLC	PRC	RMB200,000,000	**100%**	**–**	100%	–	**100%**	100%	Sale of copper products
Jiangxi Copper Beijing Trading Company Limited 北京江銅營銷有限公司	LLC	PRC	RMB261,000,000	**100%**	**–**	100%	–	**100%**	100%	Sale of copper products
Jiangxi Copper Corporation Chemical Company Limited 江西銅業集團化工有限公司	LLC	PRC	RMB42,637,000	**100%**	**–**	100%	–	**100%**	100%	Manufacture and sale of sulphuric acid and by-products
JCC Yinshan Mining Company Limited 江西銅業集團銀山礦業有限責任公司	LLC	PRC	RMB30,000,000	**100%**	**–**	100%	–	**100%**	100%	Manufacture and sale of non-ferrous metal and rare materials

47. PARTICULARS OF PRINCIPAL SUBSIDIARIES *(Continued)*

Name of company	Type	Place of incorporation/ establishment and operations	Paid-up capital/ registered capital	Proportion of equity held by the Company				Proportion of voting power held by the Company		Principal activities
				2015		2014		2015	2014	
				Directly	Indirectly	Directly	Indirectly			
JCC (Dexing) Construction Company Limited 江西銅業集團（德興）建設有限公司	LLC	PRC	RMB50,000,000	**100%**	**–**	100%	–	**100%**	100%	Provision of construction and installation services; development and sale of construction materials
JCC Dexing Explosion Company Limited 江西銅業集團（德興）爆破有限公司	LLC	PRC	RMB1,000,000	**–**	**100%**	–	100%	**100%**	100%	Production and sale of engineering, including blasting engineering
JCC Dongtong Mining Company Limited 江西銅業集團東同礦業有限公司	LLC	PRC	RMB46,209,000	**100%**	**–**	100%	–	**100%**	100%	Manufacture and sale of non-ferrous metal and rare materials
JCC Guixi Logistics Company Limited 江西銅業集團（貴溪）物流有限公司	LLC	PRC	RMB40,000,000	**100%**	**–**	100%	–	**100%**	100%	Provision of transportation services
JCC Qianshan Copper Concentration Pharmaceuticals Company Limited 江西銅業集團（鉛山）選礦藥劑有限公司	LLC	PRC	RMB10,200,000	**100%**	**–**	100%	–	**100%**	100%	Sale of beneficiation drugs, fine chemicals and other products
JCC Dongxiang Alloy Materials Manufacturing Company Limited 江西銅業集團（東鄉）鑄造有限公司	LLC	PRC	RMB29,000,000	**–**	**74.97%**	–	74.97%	**74.97%**	74.97%	Production and sale of grinding pebbles, casting of machine tools and wear-resistant parts, cast steel processing, machine work and reclaiming waste steel
Jiangxi Copper Yates Copper Foil Company Limited 江西省江銅－耶兹銅箔有限公司	LLC	PRC	RMB453,600,000	**89.77%**	**–**	89.77%	–	**89.77%**	89.77%	Production and sale of copper foil
Jiangxi Copper (Longchang) Precise Pipe Company Limited 江西江銅龍昌精密銅管有限公司	LLC	PRC	RMB890,529,000	**92.04%**	**–**	92.04%	–	**92.04%**	92.04%	Production and sale of copper pipes and other copper pipe products
Jiangxi Copper Taiyi Special Electrical Materials Company Limited 江西省江銅－台意特種電工材料有限公司	LLC	PRC	USD16,800,000	**70%**	**–**	70%	–	**70%**	70%	Production and sale of enamelled wires and provision of repair and consulting services

47. PARTICULARS OF PRINCIPAL SUBSIDIARIES *(Continued)*

Name of company	Type	Place of incorporation/ establishment and operations	Paid-up capital/ registered capital	Proportion of equity held by the Company				Proportion of voting power held by the Company		Principal activities
				2015		2014		2015	2014	
				Directly	Indirectly	Directly	Indirectly			
Loyal Sky Industrial Company Limited 鴻天實業有限公司	LLC	Hong Kong	USD2,001,300	–	100%	–	100%	100%	100%	Trading of copper products and non-ferrous metals
JCC (Dexing) Alloy Materials Manufacturing Company Limited 江西銅業集團（德興）鑄造有限公司	LLC	PRC	RMB66,380,000	100%	–	100%	–	100%	100%	Production and sale of alloy grinding pebbles and metal casting; maintenance of mechanical and electrical equipment; installation and debugging of equipment
JCC (Ruichang) Alloy Materials Manufacturing Company Limited 江西銅業集團（瑞昌）鑄造有限公司	LLC	PRC	RMB2,602,000	100%	–	100%	–	100%	100%	Manufacture and sale of new type of ductile iron ball parameters, wear resistant material and products; machinery processing
JCC Corporation Dongxiang Recycling Company Limited 江西銅業集團（東鄉）廢舊金屬有限公司	LLC	PRC	RMB500,000	–	100%	–	100%	100%	100%	Recovery and sale of disused metals
JCC Geology Exploration Company Limited 江西銅業集團地勘工程有限公司	LLC	PRC	RMB15,000,000	100%	–	100%	–	100%	100%	Provision of services relating to mine exploration and development
Jiangxi Copper Corporation Drill Project Company Limited 江西銅業集團井巷工程有限公司	LLC	PRC	RMB20,296,000	100%	–	100%	–	100%	100%	Providing mining services
Hangzhou Tongxin Company Limited 杭州銅鑫物資有限公司	LLC	PRC	RMB2,000,000	100%	–	100%	–	100%	100%	Sale of metal, ore and chemical products

47. PARTICULARS OF PRINCIPAL SUBSIDIARIES *(Continued)*

Name of company	Type	Place of incorporation/ establishment and operations	Paid-up capital/ registered capital	Proportion of equity held by the Company				Proportion of voting power held by the Company		Principal activities
				2015		2014		2015	2014	
				Directly	Indirectly	Directly	Indirectly			
JCC (Guixi) New Metallurgical and Chemical Company Limited 江西銅業集團（貴溪）冶化新技術有限公司	LLC	PRC	RMB2,000,000	**100%**	**–**	100%	–	**100%**	100%	Development of new chemical technologies and new products
JCC Copper Products Company Limited 江西銅業集團銅材有限公司	LLC	PRC	RMB186,391,000	**98.89%**	**–**	98.89%	–	**98.89%**	98.89%	Processing and sale of copper rods
JCC Recycling Company Limited 江西銅業集團再生資源有限公司	LLC	PRC	RMB6,800,000	**55.88%**	**44.12%**	55.88%	44.12%	**100%**	100%	Collection and sale of metal scrap
JCC (Guixi) Metallurgical and Chemical Engineering Company Limited 江西銅業集團（貴溪）冶金化工工程有限公司	LLC	PRC	RMB35,080,000	**100%**	**–**	100%	–	**100%**	100%	Provision of repair and maintenance services for production facilities and machinery equipment
JCC Finance Company Limited 江西銅業集團財務有限公司	LLC	PRC	RMB1,000,000,000	**85.68%**	**1.67%**	85.68%	1.67%	**87.35%**	87.35%	Provision of deposit, loan, guarantee and financing consultation services to related parties
Thermonamic Electronics (Jiangxi) Company Limited 江西納米克熱電電子股份有限公司	LLC	PRC	RMB70,000,000	**95%**	**–**	95%	–	**95%**	95%	Development and production of electronic semiconductors and provision of related services
Jiangxi Copper Construction Supervision Company Limited 江西銅業建設監理諮詢有限公司	LLC	PRC	RMB3,000,000	**100%**	**–**	100%	–	**100%**	100%	Construction supervision, construction cost consulting, bidding and project agency, technical consultation, project evaluation and information service

47. PARTICULARS OF PRINCIPAL SUBSIDIARIES *(Continued)*

Name of company	Type	Place of incorporation/ establishment and operations	Paid-up capital/ registered capital	Proportion of equity held by the Company				Proportion of voting power held by the Company		Principal activities
				2015		2014		2015	2014	
				Directly	Indirectly	Directly	Indirectly			
Jiangxi Copper (Guangzhou) Copper Production Company Limited 廣州江銅銅材有限公司	LLC	PRC	RMB800,000,000	**100%**	**–**	100%	–	**100%**	100%	Production, processing and sale of copper products and wires
Shanghai Shengyu Investment Company Limited (previously known as Shanghai Shengyu Real Estate Company) 上海盛昱投資有限公司 （原名：上海盛昱房地產有限公司）	LLC	PRC	RMB169,842,000	**100%**	**–**	100%	–	**100%**	100%	Rental and management of properties
Jiangxi Copper International Trade Company Limited 江銅國際貿易有限公司	LLC	PRC	RMB1,000,000,000	**60%**	**–**	60%	–	**60%**	60%	Sale of metals, chemicals, mining products, construction materials, and etc.
Jiangxi Copper Shanghai International Logistics Company Limited 上海江銅國際物流有限公司	LLC	PRC	RMB5,000,000	**–**	**100%**	–	100%	**100%**	100%	Provision of logistics service
Jiangxi Copper Dexing Chemical Company Limited 江西銅業（德興）化工有限公司	LLC	PRC	RMB333,184,500	**100%**	**–**	100%	–	**100%**	100%	Manufacture and sale of chemical products
Jiangxi Copper Yugan Forge & Alloy Company Limited 江西銅業集團（餘幹）鍛鑄有限公司	LLC	PRC	RMB28,000,000	**–**	**100%**	–	100%	**100%**	100%	Production and sale of alloy grinding pebbles
Jiangxi Copper (Qingyuan) Company Limited 江西銅業（清遠）有限公司	LLC	PRC	RMB890,000,000	**100%**	**–**	100%	–	**100%**	100%	Manufacturing and sale
Jiangxi Copper Company Hong Kong Limited 江西銅業香港有限公司	LLC	Hong Kong	US$10,000,000	**100%**	**–**	100%	–	**100%**	100%	Trading of copper products and non-ferrous metals
Jiangxi Copper Recycling Company Limited 江西銅業再生資源有限公司	LLC	PRC	RMB250,000,000	**100%**	**–**	100%	–	**100%**	100%	Collection and sale of metal scrap

47. PARTICULARS OF PRINCIPAL SUBSIDIARIES *(Continued)*

Name of company	Type	Place of incorporation/ establishment and operations	Paid-up capital/ registered capital	Proportion of equity held by the Company				Proportion of voting power held by the Company		Principal activities
				2015		2014		2015	2014	
				Directly	Indirectly	Directly	Indirectly			
Shangri La Bisidaji Mining Company Limited 香格里拉縣必司大吉礦業有限公司	LLC	PRC	RMB5,000,000	**51%**	**–**	51%	–	**51%**	51%	Exploration of copper mining
Jiangxi Copper Shanghai Supply Chain Management Company Limited 上海江銅供應鏈管理有限公司	LLC	PRC	RMB100,000,000	**–**	**100%**	–	100%	**100%**	100%	Provision of supply chain service

The above table lists the subsidiaries of the Company which, in the opinion of the directors of the Company, principally affected the results or assets and liabilities of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

None of the subsidiaries had any debt securities outstanding as at 31 December 2015 and 2014 or at any time during both years.

The directors of the Company are of the opinion that none of the Group's subsidiaries that has non-controlling interests are material to the consolidated financial statements as a whole and therefore, the financial information in respect of those subsidiaries that has non-controlling interests are not presented.

48. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period includes:

	2015	2014
	RMB'000	*RMB'000*
Property, plant and equipment	**14,513,454**	14,699,505
Unlisted investments in subsidiaries	**9,996,442**	9,627,219
Unlisted investment in a joint venture	**14,100**	14,100
Unlisted investments in associates	**2,813,208**	3,081,208
Available-for-sale investments	**904,025**	398,080
Other non-current assets	**2,400,322**	2,110,783
Inventories	**8,905,744**	10,232,721
Bank balances and cash	**17,211,491**	19,625,468
Other current assets	**9,143,059**	10,036,442
Total assets	**65,901,845**	69,825,526
Bank and other borrowings	**5,197,917**	7,957,528
Bonds payable	**6,554,733**	6,246,297
Other liabilities	**8,173,865**	10,592,668
Total liabilities	**19,926,515**	24,796,493
Net assets	**45,975,330**	45,029,033
Share capital	**3,462,729**	3,462,729
Reserves	**42,512,601**	41,566,304
Total equity	**45,975,330**	45,029,033

48. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY *(Continued)*

Movement in reserves:

	Other reserve	Statutory surplus reserves	Discretionary surplus reserve	Safety funds surplus reserve	Proposed dividends	Retained profits	Total
	RMB'000 *(Note)*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2014	12,870,564	3,947,256	9,644,881	178,768	1,731,365	11,034,737	39,407,571
Profit and total comprehensive income for the year	–	–	–	–	–	3,890,098	3,890,098
Dividends declared	–	–	–	–	(1,731,365)	–	(1,731,365)
Dividends proposed	–	–	–	–	692,546	(692,546)	–
Transfer between categories	–	388,925	–	27,186	–	(416,111)	–
At 31 December 2014	12,870,564	4,336,181	9,644,881	205,954	692,546	13,816,178	41,566,304
Profit and total comprehensive income for the year	**–**	**–**	**–**	**–**	**–**	**1,638,843**	**1,638,843**
Dividends declared	**–**	**–**	**–**	**–**	**(692,546)**	**–**	**(692,546)**
Dividends proposed	**–**	**–**	**–**	**–**	**346,273**	**(346,273)**	**–**
Transfer between categories	**–**	**136,843**	**–**	**28,651**	**–**	**(165,494)**	**–**
At 31 December 2015	**12,870,564**	**4,473,024**	**9,644,881**	**234,605**	**346,273**	**14,943,254**	**42,512,601**

Note: Other reserves comprise of share premium, capital reserve and other reserves of the Company.

FINANCIAL SUMMARY

As at 31 DECEMBER 2015

	For the year ended 31 December				
	2015	2014	2013	2012	2011
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
CONSOLIDATED RESULTS					
Revenue	**185,228,170**	198,264,175	175,291,753	158,005,958	117,119,197
Cost of sales	**(181,453,624)**	(192,542,742)	(168,758,963)	(150,570,459)	(107,347,896)
Gross profit	**3,774,546**	5,721,433	6,532,790	7,435,499	9,771,301
Other income, gains and losses	**1,203,346**	1,567,714	1,339,041	1,462,030	919,000
Selling and distribution expenses	**(515,356)**	(547,007)	(545,284)	(453,162)	(437,011)
Administrative expenses	**(2,040,539)**	(1,876,310)	(1,760,855)	(1,348,824)	(1,869,162)
Finance costs	**(923,327)**	(977,405)	(843,343)	(831,711)	(731,227)
Share of result of joint ventures	**(39,266)**	(22,248)	3,761	5,615	6,636
Share of results of associates	**(243,012)**	46,195	5,524	3,826	49,046
Profit before taxation	**1,216,392**	3,912,372	4,731,634	6,273,273	7,708,583
Taxation	**(477,741)**	(1,013,108)	(1,100,305)	(1,025,766)	(1,060,392)
Profit for the year	**738,651**	2,899,264	3,631,329	5,247,507	6,648,191
Attributable to:					
Owners of the Company	**689,556**	2,899,091	3,555,692	5,169,668	6,586,921
Non-controlling interests	**49,095**	173	75,637	77,839	61,270
	738,651	2,899,264	3,631,329	5,247,507	6,648,191

	As at 31 December				
	2015	2014	2013	2012	2011
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
CONSOLIDATED STATEMENT OF FINANCIAL POSITION					
Total assets	**89,751,029**	95,316,269	88,759,398	78,088,106	68,149,629
Total liabilities	**(41,921,728)**	(48,296,105)	(43,126,976)	(34,225,711)	(28,343,634)
Non-controlling interests	**(1,926,944)**	(1,292,214)	(1,116,707)	(1,087,559)	(503,074)
Equity attributable to owners of the Company	**45,902,357**	45,727,950	44,515,715	42,774,836	39,302,921

Jiangxi Copper Company Limited