



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)



2018

Interim Report

Important Notice

- (I) The Board, the Supervisory Committee and the Directors, the Supervisors and senior management of Jiangxi Copper Company Limited warrant that they severally and jointly accept responsibility for the truthfulness, accuracy and completeness of the information contained in the interim report and that there are no false representations, misleading statements contained therein or material omissions therefrom.
- (II) Save for the absence of Mr. Long Ziping, the chairman, and Mr. Gao Jianmin, Director of the Company, due to other business commitments, and Mr. Wu Yuneng, Director of the Company, due to other commitments, all the Directors of the Company attended the Board meeting to approve, among others, the interim results for the six months ended 30 June 2018.
- (III) The interim financial report of the Company and its subsidiaries has not been audited, but the interim financial information prepared in accordance with IFRSs has been reviewed by Ernst & Young and considered and approved by the Audit Committee.
- (IV) The Company's chairman, Mr. Long Ziping, the principal accounting responsible person, Mr. Wu Jinxing, and Head of Financial Department (accounting chief), Mr. Ai Fuhua, warrant the truthfulness, accuracy and completeness of the financial report set out in the interim 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 Company will not make any proposal of profit distribution plan or transfer capital reserve to share capital.
- (VI) Statement for the risks involved in the forward-looking statement: The interim 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) There is no misappropriation of funds by the controlling shareholder and its connected parties for non-operation purpose in the Group.
- (VIII) There are no external guarantees provided in violation of stipulated decision-making procedures in the Group.

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Definitions

In this report, unless the context otherwise requires, the following expressions have the meanings as follows:

Definitions to the frequently-used terms

Audit Committee	means	the independent audit committee of the Company
Board	means	the board of Directors
Company or Jiangxi Copper	means	Jiangxi Copper Company Limited
copper concentrate	means	the concentrate from low grade ore containing copper achieving certain quality indicators through processing procedures, which can be directly used for smeltery in smelting plants
copper contained in copper concentrate	means	the amount of copper in copper concentrate
CSRC	means	China Securities Regulatory Commission
Director(s)	means	the director(s) of the Company
Group	means	the Company and its subsidiaries
IFRSs	means	International Accounting Standards 34 “Interim Financial Reporting” and other relevant provisions
JCC	means	Jiangxi Copper Corporation Limited (formerly known as Jiangxi Copper Corporation) and its subsidiaries, but excluding the Group
LME	means	London Metal Exchange
Ministry of Finance	means	The Ministry of Finance of the People’s Republic of China
PRC	means	The People’s Republic of China
reporting period	means	the six months ended 30 June 2018
SSE	means	Shanghai Stock Exchange
Supervisor(s)	means	the supervisor(s) of the Company
Supervisory Committee	means	the supervisory committee of the Company

In this interim report, the English names of certain PRC entities are translations of their Chinese versions, and are included herein for identification purposes only. In the event of any inconsistency, the Chinese versions shall prevail.

Company Profile

I. COMPANY 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 of the Company	Long Ziping

II. CONTACT PERSONS AND CONTACT METHODS

	Secretary to the Board	Securities Affairs Representative
Name	(Chairman of the Board takes up the responsibilities of Secretary to the Board)	Xiao Huadong
Address	7666 Chang Dong Avenue, High-tech Development Zone, Nanchang, Jiangxi Province, the People's Republic of China	7666 Chang Dong Avenue, High-tech 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

III. CHANGES IN BASIC INFORMATION

Registered address of the Company	15 Yejin Avenue, Guixi City, Jiangxi Province, the People's Republic of China
Postal code of the registered address of the Company	335424
Office address of the Company	7666 Chang Dong Avenue, High-tech 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
Query index for changes during the reporting period	Nil

Company Profile

IV. CHANGES IN INFORMATION DISCLOSURE AND PLACE OF INSPECTION

Newspapers selected by the Company for information disclosure	Shanghai Securities News
Website designated by CSRC for publishing the interim report	www.sse.com.cn
Place of inspection of the interim report	7666 Chang Dong Avenue, High-tech Development Zone, Nanchang, Jiangxi Province, the People's Republic of China
Query index for changes during the reporting period	Nil

V. INFORMATION ON THE COMPANY'S SHARES

Class of shares	Stock Exchange of listed 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	Ernst & Young Hua Ming LLP
	Office address	Level 16, EY Tower, Oriental Plaza, No. 1 East Chang An Avenue, Dong Cheng District, Beijing
Auditor appointed by the Company (Overseas)	Name of auditor as signatories	Yang Lei (楊磊), Lu Miao (陸苗)
	Name	Ernst & Young
Sponsor engaged by the Company to continuously perform its supervisory function during the reporting period	Office address	22/F, CITIC Tower, 1 Tim Mei Avenue, Central, Hong Kong
	Name of sponsor representatives as signatories	China International Capital Corporation Limited
Period of continuously performing supervisory function	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	Since September 2008

Summary of Accounting Data and Financial Indicators

I. MAJOR ACCOUNTING DATA AND FINANCIAL INDICATORS OF THE COMPANY

(I) Consolidated Accounting Data and Financial Indicators Prepared in accordance with the IFRSs

	For the six months ended 30 June		Increase/ (decrease) (%)
	2018 (RMB'000) (Unaudited)	2017 (RMB'000) (Unaudited)	
Revenue	104,025,788	97,759,550	6.41%
Profit before taxation	1,736,658	1,660,960	4.56%
Profit for the period attributable to owners of the Company	1,327,146	973,559	36.32%
Basic earnings per share (RMB)	0.38	0.28	36.32%

	As at 30 June 2018 (RMB'000) (Unaudited)	As at 31 December 2017 (RMB'000) (Audited)	Increase/ (decrease) (%)
	Total assets	99,875,860	
Total liabilities	48,821,308	47,485,426	2.81%
Net assets attributable to owners of the Company	48,513,007	47,532,431	2.06%
Net assets per share attributable to owners of the Company (RMB)	14.01	13.73	2.06%

Summary of Accounting Data and Financial Indicators

(II) Consolidated Accounting Data and Financial Indicators Prepared in accordance with the PRC Accounting Standards (“PRC GAAP”)

(1) Major accounting data

Unit: Yuan Currency: RMB

Major accounting data	During the reporting period (January–June)	During the same period of last year	Increase/decrease for the reporting period as compared with the same period of last year (%)
Operating revenue	104,505,429,936	98,285,807,570	6.33
Net profit attributable to shareholders of the Company	1,277,630,707	830,212,763	53.89
Net profit after non-recurring profit and loss items attributable to shareholders of the Company	571,227,140	621,619,931	-8.11
Net cash flows from operating activities	805,336,653	864,037,385	-6.79

	As at the end of the reporting period	As at the end of last year	Increase/decrease as at the end of the reporting period as compared with the end of last year (%)
Net assets attributable to shareholders of the Company	48,513,007,480	47,532,426,878	2.06
Total assets	99,875,860,331	97,468,655,222	2.47

Summary of Accounting Data and Financial Indicators

(2) Major financial indicators

Unit: Yuan Currency: RMB

Major financial indicator	During the reporting period (January–June)	During the same period of last year	Increase/decrease for the reporting period as compared with the same period of last year (%)
Basic earnings per share (RMB/share)	0.37	0.24	54.17
Diluted earnings per share (RMB/share)	–	–	–
Basic earnings per share after excluding non-recurring profit and loss items (RMB/share)	0.16	0.18	-11.11
Return on net assets (weighted average) (%)	2.63	1.77	Increased by 0.86 percentage point
Return on net assets after excluding non-recurring profit and loss items (weighted average) (%)	1.18	1.33	Decreased by 0.15 percentage point

Explanation on major accounting data and financial indicators of the Company

Not applicable

Summary of Accounting Data and Financial Indicators

II. DIFFERENCES IN ACCOUNTING DATA BETWEEN THE IFRSs AND THE PRC GAAP

(I) Reconciliation between the IFRSs and the PRC GAAP

Discrepancies between net profit and net assets attributable to shareholders of the Company in the financial report disclosed under the IFRSs and under the PRC GAAP

Unit: Yuan Currency: RMB

	Net profit		Net assets attributable to shareholders of the Company	
	Amount for the current period	Amount for the previous period	Closing amount	Opening amount
Prepared in accordance with the PRC GAAP	1,277,630,707	830,212,763	48,513,007,480	47,532,426,878
Adjustments to items and amounts under the IFRSs:				
Safety fund extracted but not used under the PRC GAAP during the period	49,518,957	143,344,899	-	-
Income tax effect on safety fund	-	-	-	-
Prepared in accordance with the IFRSs	1,327,149,664	973,557,662	48,513,007,480	47,532,426,878

(II) Differences in net profit and net assets attributable to shareholders of the Company prepared under foreign accounting standards and the PRC GAAP

Not applicable

Summary of Accounting Data and Financial Indicators

(III) Explanation on difference in accounting data under domestic and overseas accounting standards

The Group is required to make appropriations on work safety in accordance with CaiQi [2012] No. 16 “Measures on the Appropriation and Usage of Work Safety Funds of Enterprises” issued by the Ministry of Finance and the State Administration of Work Safety. The fund is designated for enhancement of improvement of work safety conditions. The appropriated work safety funds are included in related products’ costs or profit or loss for the current period, and are reflected separately in the “special reserve” under shareholders’ equity. In using the appropriated funds for work safety, the cost of expenditure is directly offset against the special reserve. When the use of appropriated work safety fund forms fixed assets, through the costs of accumulation of ongoing construction items, the related assets are confirmed to become fixed when they reach their intended usable conditions after the completion of the safety projects. The costs of forming fixed assets are then offset against the specific reserve while the same amount is recognised in accumulated depreciation. Such fixed assets are not depreciated in subsequent periods. Under IFRSs, the appropriation of work safety fund is individually reflected in the restricted reserve of shareholders’ equity in the form of profit distribution. When qualifying costs of expenditure are incurred, such expenses are recorded in the current income statement as incurred. When capital expenditures are incurred, an amount is transferred to property, plant and equipment and is depreciated in accordance with the depreciation policy of the Company. The actual usage amounts of, among other things, work safety expenses of the current period, are carried over internally in shareholders’ equity, and are offset against restricted reserve and increase the undistributed profit, to the limit that restricted reserve is offset to zero.

Summary of Accounting Data and Financial Indicators

III. NON-RECURRING PROFIT AND LOSS ITEMS AND AMOUNTS (IN FINANCIAL STATEMENTS PREPARED UNDER THE PRC GAAP)

Unit: Yuan Currency: RMB

Non-recurring profit and loss item	Amount	Note (if applicable)
Profit and loss from disposal of non-current assets	-277,193	
Government grant as included in profit and loss of the current period, other than those closely relating to the normal business of enterprises and in compliance with national policies and continuously received subject to a fixed amount or quantity under certain standard	603,901	
Profit and loss from changes in the fair value of held-for-trading financial assets and financial liabilities, and investment gains from disposal of held-for-trading financial assets and liabilities and available-for-sale financial assets except for effective hedging business related to normal operation of the Company	886,783,122	
Other non-operating income and expenses other than the above	11,514,158	
Impact from interests of minority shareholders	-71,350,760	
Impact from income tax	-120,869,661	
Total	706,403,567	

Summary of Accounting Data and Financial Indicators

IV. OTHER ITEMS (IN FINANCIAL STATEMENTS PREPARED UNDER THE PRC GAAP)

Items measured by fair value

Unit: Yuan Currency: RMB

Item	Opening balance	Closing balance	Changes during the period	Impact on profit of the current period
1. Investment in held-for-trading equity instruments				
Equity investments	56,861,137	40,104,258	-16,756,879	-1,318,965
2. Investment in held-for-trading debt instruments				
Debenture investment	152,873,898	155,860,001	2,986,103	6,172,785
Investment in debt instruments	2,856,762,320	2,564,016,060	-292,746,260	107,753,854
3. Interests in other equity instruments	1,425,234,108	1,897,114,821	471,880,713	113,424,378
4. Other debt instruments	54,664,032	58,181,157	3,517,125	-
5. Derivatives not designated as a hedge				
Forward foreign exchange contracts	9,650,606	-95,277,971	-104,928,577	58,034,488
Interest rate swaps contracts	-42,562	-308,311	-265,749	-256,448
Commodity option contracts	-122,291,963	-88,460,530	33,831,433	58,932,554
Commodity futures contracts	-191,123,081	70,742,908	261,865,989	523,394,795
Foreign exchange swap contracts	-14,051,364	-9,276,000	4,775,364	4,775,364
6. Hedging instruments				
(1) Non-effective hedging derivative instruments				
Commodity futures contracts	-1,598,845	-	1,598,845	1,598,845
Provisional price arrangement	-14,293,551	9,384,087	23,677,638	23,677,639
(2) Effective hedging derivative instruments				
Commodity futures contracts	-19,569,660	-	19,569,660	4,093,834
Items at fair value included in inventory	3,249,373,800	4,343,880,835	1,094,507,035	-313,868,444
Provisional price arrangement	-179,057,903	150,548,268	329,606,171	329,606,171
Total	7,263,390,972	9,096,509,583	1,833,118,611	916,020,850

Business Overview of the Company

I. PRINCIPAL BUSINESS, OPERATION MODE OF THE COMPANY AND INDUSTRY SITUATION DURING THE REPORTING 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 rare metal, sulphuric chemistry as well as finance and trading fields. It has established the complete industrial chain integrated with exploration, mining, ore dressing, smelting and processing in copper and related non-ferrous 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 cathode, gold, silver, sulphuric acid, copper rod, copper tube, copper foil, selenium, tellurium, rhenium, bismuth.

The main assets owned and controlled by the Company include:

1. Six major mines: 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 blister and copper concentrate smelter and refiner with the largest scale, most advanced technologies and best environmental protection in China.
3. Seven modern copper products processing plants: Jiangxi Copper Products Company Limited, Guangzhou Copper Production Company Limited, Jiangxi JCC-Yates Copper Foil Inc., Jiangxi Copper Taiyi Special Electrical Materials Company Limited, Jiangxi Copper (Longchang) Precise Pipe Company Limited, JCC Copper Products Company Limited and JCC Huabei (Tianjin) Copper Company Limited.
4. Two sulphuric acid plants with advanced technology: Jiangxi Jiangtong – Wengfu Chemical Industry Company Limited and Jiangxi Copper (Dexing) Chemical Company Limited.

(II) Explanation of the industry situation

During the reporting period, the increasingly stringent domestic environmental protection policy resulted in the suspension of certain smelting and mining facilities. The continued strike at foreign mines stimulated the increase in copper price in the short term. From a broader perspective, the interest rate hike made by the Federal Reserve, the start and escalation of global trade war and the instable political condition of the Middle East increased the risks on global economic change. It remained uncertain whether the copper price would continue to demonstrate an upward trend. As of 30 June 2018, the closing price of copper on the LME was USD6,619 per tonne, representing an increase of approximately 11.08% as compared with last year.

Business Overview of the Company

II. SIGNIFICANT CHANGES IN THE COMPANY'S MAJOR ASSETS DURING THE REPORTING PERIOD

Not applicable

III. ANALYSIS OF CORE COMPETITIVENESS DURING THE REPORTING PERIOD

(I) Securing an important strategic position as a leader of the domestic copper industry with national copper base

The Company has the largest production base of copper, associated gold and silver and owns an important base of sulphuric chemistry in the PRC:

1. It owns the domestic copper mine of currently the largest scale, namely Dexing Copper Mine, and a number of copper mines in production. By the end of 2017, the Company had 100% ownership in the proven resource reserves of approximately 9,979,000 tonnes of copper metal, 296.5 tonnes of gold, 9,774 tonnes of silver, 209,000 tonnes of molybdenum. 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 4,430,000 tonnes of copper and 52 tonnes of gold. The entire resource reserves of copper amounted to approximately 14,410,000 tonnes;
2. Guixi Smelter is the copper smelter with the largest monomer smelting scale in the world;
3. The Group is also the largest domestic copper processor.

(II) Mature business layout with comprehensive advantages of integrated industry chain

The Group is the largest integrated producer of copper in the PRC. It has established its industry chain with core businesses such as mining, ore dressing, smelting and processing of copper, as well as sulphuric chemistry and extraction and processing of precious and rare metals. It also conducts business in various areas such as finance and trading. The annual production of copper contained in copper concentrates is 210,000 tonnes. The production capacity of copper cathode is over 1,300,000 tonnes per year. The production of processed copper products is over 1,000,000 tonnes per year.

Business Overview of the Company

(III) Advantages of industry-leading professional technologies and experienced talents

The Group possesses industry-leading copper smelting and mine development technologies: Guixi Smelter is the first to introduce the entire flash smelting technology in the PRC with the overall technology and key techno-economic indicators reaching the advanced international standards. Dexing Copper Mine is the first to introduce software for the design, planning and optimization of international mining and the global positioning system for truck dispatching. With years of accumulation, the Group has reserved abundant talents specialized in mines and smelting and is equipped with expansion ability and advantages for operating similar mines and smelting enterprises.

(IV) Advantage of an outstanding brand name

The “Guiye” copper cathode owned by the Company has been successfully registered with the LME in 1996, which is the first world-class brand of copper of the PRC. The Company has become the first enterprise nationwide which has cathode copper, gold and silver products all registered with the LME and the London Bullion Market Association (LBMA). The copper testing factory established based on the laboratory of Guiye Center of the Company, is the only testing factory of copper cathode in the PRC recognized by the LME, which has finished a number of cathode copper tests for various domestic enterprises registered with the LME. The Company has maintained good and long-term relationship with world-class mining enterprises.

Report of the Board

Unless otherwise specified, the following figures are extracted from the unaudited consolidated accounting statements prepared in accordance with PRC GAAP.

I. DISCUSSION AND ANALYSIS OF THE COMPANY'S OPERATION DURING THE REPORTING PERIOD BY THE BOARD

During the year, although the overall world economy has maintained the momentum of recovery since last year with sustained growth, factors such as instability in geopolitics in the Middle East area, accelerating international trade conflicts, interest rate hike in the United States, tightening of international liquidity have caused a negative impact on the world economy and the differentiation in performance of various economies: among those developed countries, the United States have remained to show strong performance; the growth in the Eurozone has slowed down; emerging economies have grown at a weak pace, which is particularly reflected by the rapid depreciation in currencies of Argentina, Turkey and other countries and the surge in effective interest rates. Turmoil in the global economy has intensified.

During the reporting period, the Company successfully achieved the production plan for all products and produced: 723,900 tonnes of copper cathode, representing a year-on-year increase of 12.26%; 101,800 tonnes of copper concentrates, representing a year-on-year decrease of 2.76%; 12,903 kilograms of gold, representing a year-on-year increase of 7%; 183.98 tonnes of silver, representing a year-on-year decrease of 25.42%; 3,737 tonnes of molybdenum concentrates (45%), representing a year-on-year increase of 1.66%; 2,077,900 tonnes of sulphuric acids, representing a year-on-year increase of 21.58%; 1,203,100 tonnes of sulphur concentrates, representing a year-on-year decrease of 2.86%; produced 472,900 tonnes of copper wires, representing a year-on-year increase of 2.32%; 81,700 tonnes of other copper processing products (excluding copper rods), representing a year-on-year increase of 9.64%.

As of 30 June 2018, the consolidated operating revenue of the Group amounted to RMB104,505 million (for the same period of 2017: RMB98,286 million), representing a year-on-year increase of RMB6,220 million (or 6.33%). The Group recorded the net profits attributable to shareholders of the Company of RMB1,278 million (for the same period of 2017: RMB830 million), representing an increase of RMB447 million (or 53.89%), as compared to the same period of last year. The earnings per share amounted to RMB0.37 (for the same period of 2017: RMB0.24), representing a year-on-year increase of RMB0.13 (or 54.17%) as compared to the same period of last year. Under the IFRSs, the net profits attributable to shareholders of the Company were RMB1,327 million (for the same period of 2017: RMB974 million), representing a year-on-year increase of RMB353 million (or 36.32%), as compared to the same period of last year.

Report of the Board

(I) Analysis of principal businesses

1. Table of movement analysis for the related items in financial statements

Unit: Yuan Currency: RMB

Item	For the period	For the same period last year	Changes (%)
Operating revenue	104,505,429,936	98,285,807,570	6.33
Operating cost	100,992,046,561	94,779,622,041	6.55
Selling and distribution expenses	327,220,816	298,253,431	9.71
Administrative expenses	733,779,374	787,465,452	-6.82
Finance costs	442,500,482	153,305,447	188.64
Net cash flow from operating activities	805,336,653	864,037,385	-6.79
Net cash flow from investment activities	-454,725,791	-1,699,996,554	-73.25
Net cash flow from financing activities	2,880,365,204	585,841,185	391.66
Expenses on research and development	1,267,462,500	882,221,000	43.69
Impairment losses on assets	277,854,148	567,521,358	-51.04
Gains on changes in fair value	346,060,473	110,340,853	213.63
Change in returns on investment	568,021,711	185,643,493	205.97
Non-operating income	15,858,447	3,982,654	298.19
Income tax expenses	432,085,442	698,560,754	-38.15

(1) Explanation on changes in operating revenue:

It was due to an increase in the unit price of copper cathodes and copper rods and a decrease in trading sales.

(2) Explanation on changes in operating cost:

It was due to an increase in the cost of copper raw materials and a decrease in trading sales.

(3) Explanation on changes in selling and distribution expenses:

It was mainly due to increases in transportation fees, storage fees and futures fees.

Report of the Board

(4) Explanation on changes in administrative expenses:

It was mainly due to a decrease in maintenance fees.

(5) Explanation on changes in finance costs:

It was mainly due to the year-on-year increases in the financing scale and loan interest rate.

(6) Explanation on changes in net cash flow from operating activities:

It remained at the same level from the same period of last year.

(7) Explanation on changes in net cash flow from investment activities:

It was mainly due to the cash outflow of RMB 4.7 billion in the same period last year in relation to the restricted bank deposits, which had been reduced in the current period.

(8) Explanation on changes in net cash flow from financing activities:

It was mainly due to an increase in the scale of corporate financing.

(9) Explanation on changes in expenses on research and development:

It was mainly due to the increases in research and development projects and the expenditures as a result of an increase in technology investment.

(10) Explanation on changes in impairment losses on assets:

It was mainly due to the change in accounting item from bad debt loss to "credit impairment loss", arising from the implementation of a new financial instruments standard by the Group.

(11) Explanation on changes in gains on changes in fair value:

It was mainly because the Company measured the unlisted equity investment, which was originally measured at cost, at fair value and realised gains on changes in fair value in the period, arising from the implementation of a new financial instruments standard by the Group.

(12) Explanation on changes in returns on investment:

It was mainly due to a year-on-year increase in realised gains of commodity futures contract not designated as hedge instruments affected by copper price movements.

Report of the Board

(13) Explanation on changes in non-operating income:

It was mainly due to an increase in default compensation income.

(14) Explanation on changes in income tax expenses:

It was mainly due to the preferential policy of high technology enterprises in favour of the parent company.

2. Others

Detailed explanation of major changes in the structure or sources of Company's profit

During the reporting period, there was no material change in the structure or sources of Company's profit.

(II) Explanation on major changes on profit caused by non-principal businesses

Unit: Yuan Currency: RMB

Item	For the period	For the same period last year	Changes
Impairment losses on assets	277,854,148	567,521,358	-289,667,210
Impairment losses on credit	540,675,462	–	540,675,462
Gains on changes in fair value	346,060,473	110,340,853	235,719,620
Returns on investment	568,021,711	185,643,493	382,378,218

Report of the Board

(III) Analysis of operation by nature and product

1. Principal businesses by nature

Unit: '000 Currency: RMB

	Revenue for the six months ended 30 June 2018 (unaudited)	Revenue for the six months ended 30 June 2017 (unaudited)	Increase/decrease in the revenue over the same period last year (%)
Industry and other non-trading revenue	48,952,416	33,228,338	47.32
Trading revenue (note)	55,217,229	64,656,509	-14.60
Others	335,785	400,961	-16.25
Total	104,505,430	98,285,808	6.33

Note: Trading revenue represents revenue generated from trade of copper cathodes, copper rods and wires and other metal products. Such trading revenue does not include the direct sales revenue of the products generated from the Group's manufacturing business, and the products involved in the trades are sourced from external suppliers and sold to external customers.

Explanation on the principal businesses by nature:

1) **Industry and other non-trading revenue**

During the reporting period, industry and other non-trading revenue increased by RMB15,724.078 million or 47.32% as compared with last year.

2) **Trading revenue**

During the reporting period, trading revenue decreased by RMB9,439.28 million or 14.60% as compared with last year.

3) **Others**

During the reporting period, other revenue decreased by RMB65.176 million or 16.25% as compared with last year.

Report of the Board

2. Principal businesses by product

Unit: '000 Currency: RMB

	Revenue for the six months ended 30 June 2018 (unaudited)	Revenue for the six months ended 30 June 2017 (unaudited)	Increase/decrease in the revenue over the same period last year (%)
Copper cathodes	58,964,896	59,559,595	-1.00
Copper rods	24,007,113	20,249,663	18.56
Gold	3,540,926	3,337,091	6.11
Processed copper products	2,244,481	2,501,660	-10.28
Silver	1,012,119	1,672,253	-39.48
Chemical products (sulphur and sulphuric concentrate)	594,141	392,646	51.32
Copper concentrate, rare and other non-ferrous metals	12,014,843	8,846,789	35.81
Principal business – others	1,791,126	1,325,150	35.16
Other business income	335,785	400,961	-16.25
Total	104,505,430	98,285,808	6.33

Explanation on the principal businesses by product:

1) **Copper cathodes**

During the reporting period, the revenue from copper cathodes decreased by RMB594.699 million or 1.00% as compared with last year.

2) **Copper rods**

During the reporting period, the revenue from copper rods increased by RMB3,757.450 million or 18.56% as compared with last year.

3) **Gold**

During the reporting period, the revenue from gold increased by RMB203.835 million or 6.11% as compared with last year.

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4) *Processed copper products*

During the reporting period, the revenue from processed copper products decreased by RMB257.179 million or 10.28% as compared with last year.

5) *Silver*

During the reporting period, the revenue from silver decreased by RMB660.134 million or 39.48% as compared with last year.

6) *Chemical products (sulphur and sulphuric concentrate)*

During the reporting period, the revenue from chemical (sulphur and sulphuric concentrate) increased by RMB201.495 million or 51.32% as compared with last year.

7) *Copper concentrate, rare and other non-ferrous metals*

During the reporting period, the revenue from copper concentrate, rare and other non-ferrous metals increased by RMB3,168.054 million or 35.81% as compared with last year.

8) *Principal business – others*

During the reporting period, the revenue from principal business – others increased by RMB465.976 million or 35.16% as compared with last year.

9) *Other business income*

During the reporting period, the other business income decreased by RMB65.176 million or 16.25% as compared with last year.

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(IV) Analysis of assets and liabilities

1. Assets and liabilities

Unit: Yuan Currency: RMB

Item	As at the end of the period	Share of total assets as at the end of the period (%)	As at the end of the previous period	Share of total assets as at the end of the previous period (%)	Changes as at the end of the period over the previous period (%)	Explanation
Financial assets at fair value through profit or loss	-	-	401,504,647	0.41	-100.00	Note 1
Held-for-trading financial assets	2,759,980,319	2.76	-	-	100.00	Note 2
Derivative financial assets	278,390,415	0.28	-	-	100.00	Note 3
Other receivables	2,762,745,118	2.77	4,952,452,933	5.08	-44.21	Note 4
Assets classified as held for sale	77,042,234	0.08	23,308,163	0.02	230.54	Note 5
Available-for-sale financial assets (current assets)	-	-	2,671,176,000	2.74	-100.00	Note 6
Available-for-sale financial assets (non-current assets)	-	-	1,665,484,460	1.71	-100.00	Note 7
Other debt investment	58,181,157	0.06	-	-	100.00	Note 8
Investment in other equity instruments	1,897,114,821	1.90	-	-	100.00	Note 9
Other non-current assets	1,240,501,612	1.24	693,612,328	0.71	78.85	Note 10
Financial liabilities at fair value through profit or loss	-	-	724,147,935	0.74	-100.00	Note 11
Derivative financial liabilities	241,037,964	0.24	-	-	100.00	Note 12
Contract liabilities	1,597,633,127	1.60	-	-	100.00	Note 13
Advance from customers	-	-	1,543,606,226	1.58	-100.00	Note 14
Other payables	2,648,200,128	2.65	1,877,638,769	1.93	41.04	Note 15
Non-current liabilities due within one year	113,720,928	0.11	230,895,078	0.24	-50.75	Note 16
Other current liabilities	2,065,115,717	2.07	3,178,510,772	3.26	-35.03	Note 17
Long-term borrowings	3,308,750,000	3.31	8,750,000	0.01	37,714.29	Note 18
Deferred tax liabilities	159,865,836	0.16	105,838,376	0.11	51.05	Note 19
Other comprehensive income	-58,540,104	-0.06	-114,215,007	-0.12	48.75	Note 20

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Explanations:

- Note 1:* As at the end of the reporting period, the financial assets at fair value through profit or loss of the Group amounted to RMB0, representing a decrease of RMB401.50 million (or -100%) as compared to the end of last year, mainly attributable to a change in accounting items arising from the implementation of a new financial instruments standard by the Group.
- Note 2:* As at the end of the reporting period, the held-for-trading financial assets of the Group amounted to RMB2,759.98 million, representing an increase of RMB2,759.98 million (or 100%) as compared to the end of last year, mainly attributable to a change in accounting items arising from the implementation of a new financial instruments standard by the Group.
- Note 3:* As at the end of the reporting period, the derivative financial instruments of the Group amounted to RMB278.39 million, representing an increase of RMB278.39 million (or 100%) as compared to the end of last year, mainly attributable to a change in accounting items arising from the implementation of a new financial instruments standard by the Group.
- Note 4:* As at the end of the reporting period, other receivables of the Group amounted to RMB2,762.75 million, representing a decrease of RMB2,189.71 million (or -44.21%) as compared to the end of last year, mainly attributable to recovery of receivables and transfer payment from asset management scheme by the Group as at beginning of the reporting period.
- Note 5:* As at the end of the reporting period, the assets classified as held for sale of the Group amounted to RMB77.04 million, representing an increase of RMB53.73 million (or 230.54%) as compared to the end of last year, mainly attributable to the transfer of the relevant assets of "Three Supplies and One Property" into this category by the Group in accordance with the requirements of the State Council and Jiangxi Provincial Government.
- Note 6:* As at the end of the reporting period, the available-for-sale financial assets (current assets) of the Group amounted to RMB0, representing a decrease of RMB2,671.17 million (or -100%) as compared to the end of last year, mainly attributable to a change in accounting items arising from the implementation of a new financial instruments standard by the Group.

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Note 7: As at the end of the reporting period, the available-for-sale financial assets (non-current assets) of the Group amounted to RMB0, representing a decrease of RMB1,665.48 million (or -100%) as compared to the end of last year, mainly attributable to a change in accounting items arising from the implementation of a new financial instruments standard by the Group.

Note 8: As at the end of the reporting period, other debt investment of the Group amounted to RMB58.18 million, representing an increase of RMB58.18 million (or 100%) as compared to the end of last year, mainly attributable to a change in accounting items arising from the implementation of a new financial instruments standard by the Group.

Note 9: As at the end of the reporting period, investment in other equity instruments of the Group amounted to RMB1,897.11 million, representing an increase of RMB1,897.11 million (or 100%) as compared to the end of last year, mainly attributable to a change in accounting items arising from the implementation of a new financial instruments standard by the Group.

Note 10: As at the end of the reporting period, other non-current assets of the Group amounted to RMB1,240.50 million, representing an increase of RMB546.89 million (or 78.85%) as compared to the end of last year, mainly attributable to prepayment to the purchase of engineering equipment by the Group and an increase in prepaid investment monies.

Note 11: As at the end of the reporting period, the financial liabilities at fair value through profit or loss of the Group amounted to RMB0, representing a decrease of RMB724.15 million (or -100%) as compared to the end of last year, mainly attributable to a change in accounting items arising from the implementation of a new financial instruments standard by the Group.

Note 12: As at the end of the reporting period, the derivative financial liabilities of the Group amounted to RMB241.04 million, representing an increase of RMB241.04 million (or 100%) as compared to the end of last year, mainly attributable to a change in accounting items arising from the implementation of a new financial instruments standard by the Group.

Note 13: As at the end of the reporting period, the contract liabilities of the Group amounted to RMB1,597.63 million, representing an increase of RMB1,597.63 million (or 100%) as compared to the end of last year, mainly attributable to a change in accounting items arising from the implementation of a new financial instruments standard by the Group.

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- Note 14:* As at the end of the reporting period, the advance from customers of the Group amounted to RMB0, representing a decrease of RMB1,543.61 million (or -100%) as compared to the end of last year, mainly attributable to a change in accounting items arising from the implementation of a new financial instruments standard by the Group.
- Note 15:* As at the end of the reporting period, other payables of the Group amounted to RMB2,648.20 million, representing an increase of RMB770.56 million (or 41.04%) as compared to the end of last year, mainly attributable to the distribution of 2017 cash dividends approved in the 2018 shareholders' general meeting of the Group.
- Note 16:* As at the end of the reporting period, the non-current liabilities due within one year of the Group amounted to RMB113.72 million, representing a decrease of RMB117.17 million (or -50.75%) as compared to the end of last year, mainly attributable to due repayment of a long term borrowing due within one year of the Group.
- Note 17:* As at the end of the reporting period, other current liabilities of the Group amounted to RMB2,065.12 million, representing a decrease of RMB1,113.40 million (or -35.03%) as compared to the end of last year, mainly attributable to the decrease in short term deposits of an associated company of the Group placed with the finance company.
- Note 18:* As at the end of the reporting period, the long term borrowing of the Group amounted to RMB3,308.75 million, representing an increase of RMB3,300.00 million (or 37,714.29%) as compared to the end of last year, mainly attributable to the change in financing structure of the Group.
- Note 19:* As at the end of the reporting period, the deferred tax liabilities of the Group amounted to RMB159.87 million, representing an increase of RMB54.03 million (or 51.05%) as compared to the end of last year, mainly attributable to the increase in taxable temporary differences of the Group.
- Note 20:* As at the end of the reporting period, other comprehensive income of the Group amounted to RMB-58.54 million, representing an increase of RMB55.67 million (or 48.75%) as compared to the end of last year, mainly attributable to the increase in the difference in translation of foreign currency statements.

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2. Limitation of assets as at the end of the reporting period

Unit: Yuan Currency: RMB

Item	Book value at the end of the period	Reasons for the limitation
Cash and bank	8,615,455,915	They were the margin deposits for the application of letters of credit, bank guarantees and acceptances issued as well as bank acceptance notes with the banks, the required reserve deposits placed with the People's Bank of China, environment rehabilitation deposits, and pledged to secure short term borrowings
Trade and bills receivables	3,456,995,458	Bank acceptance notes with book values of RMB2,200,819,506 and letters of credit receivable of RMB1,256,175,952 were pledged to secure bank borrowings
Other receivables	1,344,475,633	Futures margin deposits
Inventories	988,086,049	Inventories were placed as and pledged to secure futures margin deposits
Fixed assets	528,557,355	They were pledged to secure bank borrowings

3. Other explanations

Not applicable

(V) Analysis of investment

1. General analysis of external investment in equity

Unit: 0'000 Currency: RMB

Investment during the reporting period	16,860
Increase/decrease in investment	4,878
Investment during the same period last year	11,982
Extent of increase/decrease in investment (%)	40.71%

(1) Significant equity interest investment

Not applicable

(2) Significant non-equity interest investment

Not applicable

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(3) Financial assets measured at fair value

Unit: Yuan Currency: RMB

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	401,504,647	0	-401,504,647	0
Available-for-sale financial assets – current	2,671,176,000	0	-2,671,176,000	0
Held-for-trading financial assets	0	2,759,980,319	2,759,980,319	-3,891,763
Derivative financial assets	0	278,390,415	278,390,415	-73,311,552
Other debt investments	0	58,181,157	58,181,157	0
Available-for-sale financial assets –non-current	1,665,484,460	0	-1,665,484,460	0
Other investments of equity instruments	0	1,897,114,821	1,897,114,821	99,924,378
Financial liabilities at fair value through profit or loss	724,147,935	0	-724,147,935	0
Derivative financial liabilities	0	241,037,964	241,037,964	563,896,302
Fair value change on hedged items	3,249,373,800	4,343,880,835	1,094,507,035	-240,556,892
Total	8,711,686,842	9,578,585,511	866,898,669	346,060,473

(VI) Material disposal of assets and equity interests

Not applicable

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(VII) Analysis of principal controlling subsidiaries and other companies with shareholding

(1) Production and operation of our principal controlling subsidiaries as of 30 June 2018

Unit: 0'000 Currency: RMB

Company name	Business nature	Registered capital	Shareholding percentage (%)	Total assets	Net assets	Operating revenue	Net profit/(loss)
Sichuan Kangtong Copper Company Limited (四川康西銅業有限責任公司)	Sale of copper products, rare metal products and sulphuric acid	28,688	57.14	34,346	-10,064	198	-4,822
JCC Finance Company Limited (江西銅業集團財務有限公司)	Provision of guarantee and deposits taking from and loans to member units	100,000	87.35	1,747,768	289,607	21,317	13,811
Jiangxi Copper Products Company Limited (江西銅業銅材有限公司)	Sale and processing of copper materials	42,450	100	93,732	83,418	11,433	2,145
JCC Copper Products Company Limited (江西銅業集團銅材有限公司)	Processing and sale of hardware electric products	18,639	98.89	84,258	33,744	120,702	-76
Shenzhen Jiangxi Copper Marketing Company Limited (深圳江銅營銷有限公司)	Sale of copper products	176,000	100	976,772	-73,215	2,579,978	-19,398
Jiangxi Copper Shanghai Trading Company Limited (上海江銅營銷有限公司)	Sale of copper products	20,000	100	424,109	-199,930	265,646	-37,264
Jiangxi Copper Beijing Trading Company Limited (北京江銅營銷有限公司)	Sale of copper products	26,100	100	44,073	-27,232	0	-3,782
JCC Yinshan Mining Company Limited (江西銅業集團銀山礦業有限責任公司)	Manufacture and sale of non-ferrous metals, rare metals and non-metals	3,000	100	159,547	69,078	34,088	2,749
JCC Dongtong Mining Company Limited (江西銅業集團東同礦業有限責任公司)	Manufacture and sale of non-ferrous metals, rare metals and non-metals	4,621	100	45,383	-6,374	5,306	-2,046
Jiangxi Copper Yates Copper Foil Company Limited (江西省江銅-耶茲銅箔有限公司)	Production and sale of electrolytic copper foil products	75,360	93.84	89,494	53,010	50,442	4,632

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Unit: 0'000 Currency: RMB

Company name	Business nature	Registered capital	Shareholding percentage (%)	Total assets	Net assets	Operating revenue	Net profit/(loss)
Jiangxi Copper (Longchang) Precise Pipe Company Limited (江西江銅龍昌精密銅管有限公司)	Production of spiral tubes, externally finned copper tubes and other copper pipe products	89,053	92.04	192,486	62,405	174,047	1,303
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)	Design, production and sale of various copper wires, enamelled wires and provision of after-sales repair and consulting services	13,595	70	72,302	11,202	64,393	325
Jiangxi Gold Company Limited (江西黃金股份有限公司)	Exploration, mining and dressing, smelting, processing and sale of gold	36,120	60	34,984	34,896	0	-212
Jiangxi Jiangtong-Wengfu Chemical Industry Company Limited (江西省江銅-豐福化工有限責任公司)	Sulphuric acid and by-products	18,150	70	20,577	18,751	6,036	845
Jiangxi Copper Chengdu Trading Company Limited (成都江銅營銷有限公司)	Sale of copper products	6,000	100	9,209	-9,644	56,742	56
Jiangxi Copper (Guangzhou) Copper Production Company Limited (廣州江銅銅材有限公司)	Production of copper products and wires and related products	80,000	100	699,266	93,127	891,971	1,514
Jiangxi Copper International Trade Company Limited (江銅國際貿易有限公司)	Trading of metal products	101,609	60	893,319	82,172	2,507,466	-18,497
Shanghai Jiangtong Investment Holdings Ltd. (上海江銅投資控股有限公司)	Construction	19,254	100	28,209	17,007	577	217
Jiangxi Copper Dexing Chemical Company Limited (江西銅業(德興)化工有限公司)	Sulphuric acid and by-products	37,582	100	67,651	42,845	9,448	1,056
Jiangxi Copper (Qingyuan) Company Limited (江西銅業(清遠)有限公司)	Manufacturing, processing and sale of anode sheets of copper cathode and nonferrous metals	89,000	100	441,365	66,143	253,242	2,256
Jiangxi Copper Hong Kong Company Limited (江西銅業香港有限公司)	Import and export trading and settlement, offshore investment and financing, and cross-border RMB settlement	18,590	100	424,003	30,385	429,765	972

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Unit: 0'000 Currency: RMB

Company name	Business nature	Registered capital	Shareholding percentage (%)	Total assets	Net assets	Operating revenue	Net profit/ (loss)
Jiangxi Copper Recycling Company Limited (江西銅業再生資源有限公司)	Base metals and scrap of their articles	25,000	100	28,452	23,863	24,306	1,109
Shangri La Bisidaji Mining Company Limited (香格里拉市必司大吉礦業有限公司)	Non-ferrous metal mining	500	51	7,946	-3,066	0	-315
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	42,937	100	23,834	22,646	0	-2,490
Zhejiang Jiangtong Fuye Heding Copper Co., Ltd. (浙江江銅富冶和鼎銅業有限公司)	Production and sale of copper cathodes	128,000	40	553,960	168,156	890,086	10,326
Jiangxi Copper North China (Tianjin) Copper Co., Ltd (江銅華北(天津)銅業有限公司)	Production of copper rods and wires and the related products	51,204	51	103,632	57,716	492,954	2,465

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(2) Production and operation of our associates and joint ventures as of 30 June 2018

Unit: 0'000 Currency: RMB

Name of unit	Business nature	Registered capital Currency	0'000	Our shareholding (%)	Total assets at the end of the period	Net assets in aggregate at the end of the period	Net profits for the period
1. Major Joint Ventures							
Jiangxi JCC-BIOTEQ Environmental Technologies Company Limited (江銅百泰環保科技有限 公司)	Industrial waste water recycling and product sales	RMB	2,820	50	6,875	5,790	746
Nesko Metal Sanayi ve Ticaret Anonim Şirketi	Excavation and sale of copper products	YTL	452,000	48	31,738	27,925	-826
Valuestone GP LTD. (嘉石普通合夥人有限公司)	Investment company	USD	300	51	1,290	1,290	0
II. Major Associates							
Minmetals Jiangxi Copper Mining Investment Co., Ltd. (五礦江銅礦業投資有 限公司)	Investment company	RMB	396,000	40	448,864	306,382	-1,350
MCC-JCL Aynak Minerals Company Limited (中冶江 銅艾娜克礦業有限公司)	Excavation and sales of copper products	USD	36,365	25	263,758	262,215	0
BOCI Securities Limited (中銀國際證券有限責任 公司)	Security brokerage and investment advisory	RMB	197,917	6.31	4,577,831	1,157,433	53,538
Valuestone Global Resources Fund I LP	Fund company	USD	176	65.5	24,519	24,504	-2,806

(VIII) Structured entities under control of the Company

Not Applicable

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II. EMPLOYEE INFORMATION OF THE PARENT COMPANY AND ITS MAJOR SUBSIDIARIES

(I) Employee Information

Number of in-service employees in the parent company	14,072
Number of in-service employees in major subsidiaries	5,846
Total number of in-service employees	19,918
Number of employees retired for whom the parent company and major subsidiaries have to pay pension	0

Specialty composition

Category	Headcount
Production	15,367
Sales	267
Technician	2,044
Finance	379
Administration	1,861
Total	19,918

Education level

Category	Headcount
Post-secondary and above	7,522
Technical secondary and senior secondary	7,541
Junior secondary and below	4,855
Total	19,918

(II) Remuneration Policy

During the reporting period, the total remuneration of employees of the Company amounted to RMB1,845 million. 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 references to operating performance of the Company, management obligation, etc.

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(III) Training Plan

The Company will formulate a practical training plan based on development strategies as well as production and operation mission of the Company, so as to provide talent support and guarantee for realization of new strategic target of the Company. The Company has established three career paths for talents in management, professional techniques and skills for employees to continuously improve the overall quality of the Company's employees. The Company has established a series of regulatory system on training such as the Administrative Measures of Jiangxi Copper Company Limited on Staff Education and Training (《江西銅業股份有限公司員工教育培訓管理辦法》) and the Administrative Measures on Training Fund (《培訓經費管理辦法》), striving to build an all-round, multi-angle and multi-functional staff education and training system based on "learning, evaluation and practice" for the purpose of creating a promotion and career development platform, on which employees are assigned to positions based on their strengths in fair competition.

III. OTHER DISCLOSURE

(I) **Warning and explanation on the expected potential loss in accumulated net profit from the beginning of the year to the end of the next reporting period or the significant changes therein as compared with the same period of last year**

Not applicable

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(II) Potential Risks

1. Risk of bad debts in account receivables

The account receivables of the Company were mainly derived from sales of copper metal and copper products. Although the Company formulated management measures for account receivables, conducted assessment on the degree of credit of customers on a regular basis and checked the status of payment receipt, made adjustment to product sales and carried out active management based on the recovery of payments from customers, as a change in the macroeconomic environment and downstream industries might result in a change in the capital conditions of customers, there remained certain uncertainties relating to the recovery of account receivables of the Company. In case a large scale of bad debts occurs in account receivables in the future, it would bring certain capital pressure to the Company and affect the Company's scale of profit.

2. Risks associated with write-down of inventories

Inventories of the Company mainly comprise of raw materials, work in progress and commodity stocks. In order to meet production and operation needs, except self-produced copper, gold, silver and other minerals and products thereof out of the inventories, the Company also needs to procure and hold substantial amount of copper metal. In accordance with the requirements of the PRC Accounting Standards for Business Enterprises, as at the date of balance sheet, if inventory cost is higher than realizable present value, the Company is required to make provision for write-off of inventories which is included in the profit or loss for the current period. As copper, gold, silver and other metals are important trading varieties in the non-ferrous metal market, high fluctuations were seen in prices affected by multiple factors. If a material adverse change in related metal prices takes place before external sales of the above inventories, the Company would make allowance of inventories accordingly for a write-off in inventories, thereby affecting the short term profitability of the Company.

3. Exchange rate fluctuation risks

Imported copper raw materials purchased from international mining companies or sizable trading firms by the Company are generally settled in US dollars. With expansion of overseas business of the Company, the income and expenses of foreign currencies would be even more intense. Therefore, in case of more fluctuations in exchange rate or failure to effectively control the exchange rate fluctuation risks by the Company, it may result in the Company incurring exchange rate loss, which in turn may bring certain negative impact on the profitability of the Company.

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4. Higher risks of change in fair value through profit or loss and change in investment income

In order to reduce the influence on the operating results of the Company arising from metal prices, exchange rates and interest rate changes, the Company, based on its own situation, conducts hedging transactions. Such hedging transactions do not constitute valid hedge. Profit or loss incurred from related businesses is included in the income statement, which is included in change in fair value through profit or loss and investment income based on the status of realization. Given significant inherent liquidity of metal prices, exchange rate and interest rate, the change in fair value through profit or loss and investment income generated by the Company are relatively large in scale.

5. Risk from product price fluctuations

The Company is the largest copper cathode producer in the PRC and one of the largest gold and silver producers in the PRC. The Company's product prices are mainly determined with reference to the prices of related products listed on the London Metal Exchange and the Shanghai Metal Exchange. Copper, gold and silver are important trading varieties in the international non-ferrous metal market and have their own pricing mechanisms in international market. Due to the scarcity of resources of copper, gold and silver metals, the prices of copper, gold and silver metals are highly volatile, as they are affected by various factors, including global economy, the relationship between supply and demand, market expectations and speculations. As the ore mining and smelting costs of the Company's self-produced ore are basically fixed, the gross profit margin of the Company's self-produced mineral products are basically determined by metal prices, which significantly affects the Company's profitability.

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6. Environmental protection risk

The Company is mainly engaged in the mining, smelting and processing of non-ferrous metals and rare metals. In compliance with a number of environmental protection laws and regulations concerning air, water quality, waste disposal, public health and safety, the Company shall obtain relevant environmental protection permits for its production and operation, and accept inspections by relevant national environmental protection departments. In recent years, the Company has invested a large amount of funding and technological efforts in the transformation of environmental protection equipment and production techniques, and worked on the treatment and discharge of pollutants in accordance with national environmental protection requirements. However, in recent years, with the improvement of people's living standards and increasing awareness of environmental protection, local government departments have intensified their efforts of environmental protection in exploitation of mineral resources and implemented more stringent environmental protection laws and regulations. If the environmental protection department continues to raise the environmental protection standard in the future, adopt more extensive and strict pollution control measures, the Company's production and operation may be affected, leading to an increase in operating costs such as environmental protection expenses.

(III) Other Disclosure

There was no occurrence of events having a material impact on the Group subsequent to the end of the accounting period.

Since the publication of the 2017 annual report, there have been no material changes in the likely future business development of the Group, including the prospects of the Company for the current accounting year.

Significant Events

I. GENERAL MEETING OVERVIEW

Session of the meeting	Date of convening	Reference of the website specified for information disclosure	Publication date of resolutions
2017 Annual General Meeting	12 June 2018	www.sse.com.cn	13 June 2018

Explanation on shareholders' meeting

For details of the shareholders' meeting, please refer to the information set out in the relevant announcement disclosed by the Company.

II. PROFIT DISTRIBUTION PLAN OR PLAN FOR CONVERSION OF CAPITAL RESERVE TO SHARE CAPITAL

(I) Proposal of profit distribution plan and plan for conversion of capital reserve to share capital for the interim reporting period

During the reporting period, the Company had no proposal of profit distribution plan or plan for conversion of capital reserve to share capital.

Significant Events

III. PERFORMANCE OF UNDERTAKINGS

(I) Undertakings given by parties including de facto controller of the Company, shareholders, related parties, purchasers and relevant parties of the Company related to the undertaking during or subsisted until the reporting period

Background of undertaking	Types of undertaking	Party of undertaking	Details of undertaking	Time and term of undertaking	Whether there is time limit of performance	Whether it was fulfilled strictly in a timely manner	Specific reason for failing to perform the undertaking in a timely manner	Further plan if it fails to perform the undertaking in a timely manner
Undertaking related to initial public offering	Others	Jiangxi Copper Corporation Limited	See note 1	Date of undertaking: 22 May 1997 Term: Long term	Yes	Yes	-	-
Undertaking related to refinancing	Resolving industry competition	Jiangxi Copper Corporation Limited	See note 2	Date of undertaking: 21 December 2016 Term: Long term	Yes	Yes	-	-
Other undertakings made to the minority shareholders	Dividend	Jiangxi Copper Company Limited	See note 3	Date of undertaking: 18 July 2016 Term: 3 years (2016-2018)	Yes	Yes	-	-

Note 1:

- Under the Company Law of the PRC, the Company has full 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.
- During the period where JCC holds 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 Non-ferrous Metals Industry Corporation) shall constitute a majority of the Board of the Company in accordance with the requirements of the London Stock Exchange.
 - During the period where JCC holds 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.
- During the period where JCC holds 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 JCC, 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.

Significant Events

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 including transfers and disposal relating to the land use rights of Dexing Copper Mine, Yongping Copper Mine and Guixi Smelter, the Company shall have the preemptive right.
6. JCC gives an option to the Company that the Company can purchase from JCC any mines, smelters or refineries that are currently or will be owned and/or operated in the future or any rights of mining or exploration that are currently or will be held in the future by JCC.

Note 2: As of 21 December 2016, the copper processing business conducted by JCC Copper Strip Company Limited (江西銅業集團銅板帶有限公司) ("Copper Strip Company"), a subsidiary of JCC and the Company and its holding subsidiaries are identical or similar to a certain extent but there is no actual competition between them. JCC undertakes as follows:

1. From 21 December 2016, JCC shall actively transfer its controlling interest or all interest in Copper Strip Company to other independent third parties in compliance with laws before the operating situation of Copper Strip Company turns better and fulfils the condition for being injected into the Company.
2. At the time when the operating situation of Copper Strip Company turns better and fulfils the condition for being injected into the Company, and in the event that JCC has not yet transferred the controlling interest or all interest of Copper Strip Company to independent third parties, JCC undertakes that, provided that the interests of investors of the Company are protected, it shall commence the relevant work to inject Copper Strip Company into the Company within three years after Copper Strip Company fulfils the conditions for being injected into the Company.
3. JCC shall continue to fulfil the various obligations under the "Option-to-Purchase Agreement" and "Undertaking given by Jiangxi Copper Corporation to Jiangxi Copper Company Limited".

Note 3: The contents of the undertaking on dividends are as follows:

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 discretionary surplus reserves 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.

Significant Events

IV. APPOINTMENT AND REMOVAL OF ACCOUNTING FIRMS

1. Explanation on appointment and removal of accounting firms

Given the fact that the term for the auditing service provided by Deloitte Touche Tohmatsu Certified Public Accountants LLP and Deloitte Touche Tohmatsu for the Company have respectively reached the maximum term allowed by the Jiangxi Provincial SASAC, at the 2017 Annual General Meeting convened on 12 June 2018, the Company considered and approved the appointment of Ernst & Young Hua Ming LLP and Ernst & Young as the domestic and foreign audit firms for 2018, respectively, and the appointment of Ernst & Young Hua Ming LLP as the internal control audit firm for 2018.

2. Explanation on change of accounting firms during the audit period

Not applicable

3. The Company's explanation for "Non-standard Audit Report" given by accounting firms

Not applicable

4. Explanation of the Company on the issuance of a "Non-Standard Audit Report" by the registered accountant in the financial statements of last year's annual report by the Company

Not applicable

V. MATTERS RELATING TO BANKRUPTCY AND RESTRUCTURING

Not applicable

VI. MATERIAL LITIGATION AND ARBITRATION

During the reporting period, the Company had no material litigation and arbitration.

VII. PUNISHMENT ON AND RECTIFICATION OF THE COMPANY AND ITS DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT, CONTROLLING SHAREHOLDER, DE FACTO CONTROLLER AND OFFEROR

Not applicable

Significant Events

VIII. EXPLANATION ON THE CREDIT CONDITIONS OF THE COMPANY, ITS CONTROLLING SHAREHOLDER AND DE FACTO CONTROLLER DURING THE REPORTING PERIOD

Not applicable

IX. SHARE OPTION SCHEME, EMPLOYEE SHAREHOLDING PLAN OR OTHER EMPLOYEE INCENTIVES AND THEIR EFFECTS

(I) Relevant share option scheme disclosed in extraordinary announcements and without subsequent development or changes during implementation

Not applicable

(II) Incentive not disclosed in extraordinary announcements or with subsequent development

Equity incentive

Not applicable

Others

Not applicable

Employee shareholding plan

Not applicable

Other employee incentives

Not applicable

X. MATERIAL CONNECTED TRANSACTIONS

(I) Connected transactions in relation to daily operations

1. Events disclosed in extraordinary announcements and without subsequent development or changes during implementation

Not applicable

2. Events disclosed in extraordinary announcements with subsequent development or changes during implementation

Not applicable

Significant Events

3. Continuing connected transactions

Unit: Yuan Currency: RMB

Connected party	Relationship of connection	Category of connected transaction	Details of connected transaction	Pricing policy of connected transaction	Price of connected transaction	Amount of connected transaction	Percentage of the amount involved in transactions of the same category (%)	Payment terms of connected transactions	Market price	Reason for the difference between trading price and market price
JCC	Controlling shareholder	Sale of goods	Copper rods and wires	Market price		353,277,220	1.47	Payment upon acceptance		
JCC	Controlling shareholder	Sale of goods	copper cathodes	Market price		232,060,070	0.39	Payment upon acceptance		
JCC	Controlling shareholder	Sale of goods	Ancillary industrial products	Market price		111,802,927	6.28	Payment upon acceptance		
JCC	Controlling shareholder	Sale of goods	Lead materials	Market price		13,062,767	100.00	Payment upon acceptance		
JCC	Controlling shareholder	Sale of goods	Ancillary materials	Market price		6,033,728	1.80	Payment upon acceptance		
JCC	Controlling shareholder	Sale of goods	Sulfuric acid and steel balls	Market price		754,967	100.00	Payment upon acceptance		
JCC	Controlling shareholder	Provision of labour	Construction services	Industry standards		85,449,363	52.03	Payment according to progress		
JCC	Controlling shareholder	Provision of labour	Logistics services	Standard cargo rates of Jiangxi Province		7,091,644	7.60	Monthly payment		
JCC	Controlling shareholder	Provision of labour	Repair and maintenance services	Industry standards		1,775,518	59.35	Monthly payment		
JCC	Controlling shareholder	Expenses of other utilities including water, electricity and gas (sale)	Supply of electricity	Cost plus tax		3,197,419	100	Monthly payment		
JCC	Controlling shareholder	Rent and lease	Rental from public utilities	Shared in accordance with the proportion of cost and staff		1,590,419	29.73	Monthly payment		
JCC	Controlling shareholder	Other inflow	Other			1,698,123	100			

Significant Events

Unit: Yuan Currency: RMB

Connected party	Relationship of connection	Category of connected transaction	Details of connected transaction	Pricing policy of connected transaction	Price of connected transaction	Amount of connected transaction	Percentage of the amount involved in transactions of the same category (%)	Payment terms of connected transactions	Market price	Reason for the difference between trading price and market price
JCC	Controlling shareholder	Expenses of other utilities including water, electricity and gas (sale)	Supply of water	Cost plus tax		250,803	100	Monthly payment		
JCC	Controlling shareholder	Purchase of goods	Ancillary industrial products	Market price		64,904,035	0.53	Payment upon acceptance		
JCC	Controlling shareholder	Purchase of goods	Copper concentrates	Market price		25,557,236	0.21	Payment upon acceptance		
JCC	Controlling shareholder	Purchase of goods	Sulfuric acid and steel balls	Market price		6,219,812	0.05	Payment upon acceptance		
JCC	Controlling shareholder	Purchase of goods	Purchase of the spare parts and processing parts	Market price		10,524,723	2.64	Payment upon acceptance		
JCC	Controlling shareholder	Acceptance of right to use of patent and trademark	Rentals for land use rights	Valuation price		78,502,165	100	Settlement at the end of year		
JCC	Controlling shareholder	Acceptance of agency services	Brokerage agency services for commodity derivative contracts	Market price		6,903,623	33.27	Payment upon completion of transaction		
JCC	Controlling shareholder	Acceptance of services	Repair and maintenance services	Industry standards		5,824,425	3.47	Monthly payment		
JCC	Controlling shareholder	Acceptance of services	Construction services	Industry standards		1,790,511	52.97	Payment according to progress		
JCC	Controlling shareholder	Acceptance of services	Labour services	Market price		18,392,926	100	Monthly payment		
JCC	Controlling shareholder	Acceptance of agency services	Pension contributions	Based on the actual amount payable to Social Security Fund department		1,127,152	100			

Significant Events

Unit: Yuan Currency: RMB

Connected party	Relationship of connection	Category of connected transaction	Details of connected transaction	Pricing policy of connected transaction	Price of connected transaction	Amount of connected transaction	Percentage of the amount involved in transactions of the same category (%)	Payment terms of connected transactions	Reason for the difference between trading price and market price
JCC	Controlling shareholder	Loans	Interest paid for deposits from customers	Based on the benchmark lending rate promulgated by the People's Bank of China or deposit terms no more favorable than the similar terms offered to JCC by other domestic financial institutions or credit cooperatives		10,118,739	100	Payment according to agreement	
JCC	Controlling shareholder	Loans	Cumulative provision of loans	Based on the benchmark lending rate promulgated by the People's Bank of China or deposit terms no more favorable than the similar terms offered to JCC by other domestic financial institutions or credit cooperatives		811,000,000	100	Payment according to agreement	

Significant Events

Unit: Yuan Currency: RMB

Connected party	Relationship of connection	Category of connected transaction	Details of connected transaction	Pricing policy of connected transaction	Price of connected transaction	Amount of connected transaction	Percentage of the amount involved in transactions of the same category (%)	Payment terms of connected transactions	Market price	Reason for the difference between trading price and market price
JCC	Controlling shareholder	Loans	Interest charge for financing services	Based on the benchmark lending rate promulgated by the People's Bank of China or deposit terms no more favorable than the similar terms offered to JCC by other domestic financial institutions or credit cooperatives		27,826,283	100	Payment according to agreement		
Total				/	/	1,886,736,598	/	/	/	/
Details of substantial sales return				During the reporting period, the Company did not have substantial sales return						
Explanation on connected transactions				/						

Significant Events

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

1. **Events disclosed in extraordinary announcements and without subsequent development or changes during implementation**

Not applicable

2. **Events disclosed in extraordinary announcements with subsequent development or changes during implementation**

Not applicable

3. **Events not disclosed in extraordinary announcements**

Not applicable

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

Not applicable

(III) Material connected transactions of joint overseas investment

1. **Events disclosed in extraordinary announcements and without subsequent development or changes during implementation**

Not applicable

2. **Events disclosed in extraordinary announcements with subsequent development or changes during implementation**

Not applicable

3. **Events not disclosed in extraordinary announcements**

Not applicable

(IV) Connected claim and debt

1. **Events disclosed in extraordinary announcements and without subsequent development or changes during implementation**

Not applicable

Significant Events

2. Events disclosed in extraordinary announcements with subsequent development or changes during implementation

Not applicable

3. Events not disclosed in extraordinary announcements

Unit: 0'000 Currency: RMB

Related party	Relationship	Funds provided to connected parties			Funds offered by connected parties to the Company		
		Opening balance	Amount incurred	Closing balance	Opening balance	Amount incurred	Closing balance
JCC	Controlling shareholder	103,500	12,800	116,300	310,272	-112,090	198,182
Total		103,500	12,800	116,300	310,272	-112,090	198,182

Reasons for connected claim and debt

On 13 February 2017, JCC Finance Company Limited ("JCC Finance"), a subsidiary of the Company, and JCC, the controlling shareholder of the Company, entered into Financial Assistance Agreement, the period of which shall be from the date the agreement took effect until 31 December 2019. According to the Financial Assistance Agreement, a proportion of deposits and loans of JCC which were deposited in financial institutions for the years of 2017, 2018 and 2019 would be transferred to JCC Finance as deposits and loans in accordance with market principles, among which, the daily balance of the transferred loans (referring to comprehensive credit services provided to member companies of JCC, including the provision of loans, discounted bills, acceptance of commercial draft, provision of letters of guarantee, overdraft amount, account receivable factoring and finance lease) would not exceed RMB2 billion; and the daily balance of loans should not exceed the daily balance of transferred deposits in order to create "net deposit", and the transferred deposits shall serve as guarantee to the transferred loans.

Impacts of connected claim and debt on the operating results and financial position of the Company

JCC transfers the net deposits, which forms actual financial assistance to JCC Finance, supplements the available financial resources of JCC Finance, enhances the profitability of JCC Finance and hence enhances the profitability of the Company. JCC Finance and the Company adopt adequate risk control measures to warrant JCC Finance and the Company would not record losses in the connected transaction. The terms of the Financial Assistance Agreement are fair and reasonable, and in the interest of the Company and its Shareholders as a whole.

Significant Events

(V) Other material connected transactions

Not applicable

(VI) Others

Not applicable

XI. MATERIAL CONTRACTS AND THEIR PERFORMANCE

1. Custody, contracts and leases

Not applicable

2. Guarantees

Unit: 00'000'000 Currency: RMB

External guarantees provided by the Company (excluding those to subsidiaries)

Guarantor	Relationship between the guarantor and the Company	Guaranteed party	Guarantee amount	Effective date of guarantee (date of executing agreement)		Commencement date of guarantee	Expiry date of guarantee	Guarantee type	Performance		Availability of counter-overdue guarantee	Guarantee provided to connected party or not	Relationship of connection
				Completed or not	Overdue or not								
Zhejiang Jiangtong Fuyue Hedong Copper Co., Ltd. (浙江銅富治和鼎銅業有限公司)	Controlling subsidiary	Zhejiang Fuyue Group Co., Ltd. (浙江富冶集團有限公司)	16	26 October 2017	26 October 2017	31 December 2019	Joint and several liability guarantee	No	No	0	Yes	Yes	Other connected persons

Total amount of guarantees incurred during the reporting period (excluding those to subsidiaries)	10.44
Total balance of guarantee at the end of the reporting period (A) (excluding those to subsidiaries)	11.62

Significant Events

Unit: 00'000'000 Currency: RMB

Guarantees provided by the Company to subsidiaries

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

Total amount of guarantees provided by the Company (including those to subsidiaries)

Total amount of guarantees (A+B)	11.62
Total amount of guarantees over the net assets of the Company (%)	2.3
Including:	
Amount of guarantees provided to shareholders, de facto controllers and their related parties (C)	0
Amount of debt guarantees directly or indirectly provided to guaranteed parties with a debt to asset ratio exceeding 70% (D)	0
Amount of total guarantees exceeding 50% of net assets (E)	0
Total amount of the above three amount of guarantees (C+D+E)	0

Explanation on possible joint and several Nil liability for liabilities settlement in case of outstanding guarantee

Explanation on guarantee	The Company convened the 21st meeting of the seventh session of the Board on 26 October 2017 to consider and approve the guarantees provision by Zhejiang Jiangtong Fuye Heding Copper Co., Ltd., a subsidiary of the Company, to Zhejiang Fuye Group Co., Ltd.
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3. Other material contracts

Not applicable

Significant Events

XII. POVERTY ALLEVIATION OF THE COMPANY

1. Targeted poverty alleviation plan

Not applicable

2. Summary of targeted poverty alleviation during the reporting period

Not applicable

3. Achievements of targeted poverty alleviation

Not applicable

4. Milestone in fulfilling the social responsibility of targeted poverty alleviation

Not applicable

5. Subsequent targeted poverty alleviation plans

Not applicable

XIII. PARTICULARS OF CONVERTIBLE BOND OF THE COMPANY

Not applicable

Significant Events

XIV. PARTICULARS OF ENVIRONMENTAL INFORMATION

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

1. Information on discharge of pollutants

Names of companies	Names of major pollutants	Total emissions		Emission concentration (mg/L)*	Pollutant emission standards implemented	Emission methods	Number of outlets	
		approved (t/a)	Total emissions (t/a)*				outlets	Distribution of outlets
Chengmenshan Copper Mine	pH		/	7.1	Standards in the table 2 of the "Emission Standard of Pollutants for Copper, Nickel, Cobalt Industry" (GB25467-2010)	Organized emissions after meeting standards	1	Yong'an Levee on the Yangtze river
	COD	180	66.187	23.27				
	Ammonia nitrogen		3.363	1.18				
Dexing Copper Mine	Total copper	2.87	0.233	0.082	Standards in the table 2 of the "Emission Standard of Pollutants for Copper, Nickel, Cobalt Industry" (GB25467-2010)	Organized emissions after meeting standards	4	2 on National Highway S201, 1 in the mining area of its copper plant, and 1 in the north district of the copper mine
	pH			6.89				
	COD	480	210.699	19.29				
	Ammonia nitrogen	108.1	50.584	4.63				
	Suspended matter		587.429	53.79				
	Total copper		0.098	0.009				
	Total lead		0.054	0.005				
	Total cadmium		0.018	0.002				
Jiangxi Copper (Dexing) Chemical LLC	Total zinc		0.568	0.052	"Emission Standard of Pollutants for Sulfuric Acid Industry" (GB26132-2010); B-level standards of the "Emission Standard of Air Pollutants for Industrial Kiln and Furnace" (GB9078-1996); "Integrated Wastewater Discharge Standard" (GB8978-1996)	Organized emissions after meeting standards	7	In the plant area
	Total arsenic		3.173	0.291				
	Sulfur dioxide	446.43	113.158	207.74 mg/m ³				
	Smoke dust	2.54	1.027	22.3 mg/m ³				
	COD	1.5	0.203	35				

Significant Events

Names of companies	Names of major pollutants	Total emissions approved	Total emissions	Emission concentration	Pollutant emission standards implemented	Emission methods	Number of outlets	Distribution of outlets
		(t/a)	(t/a)*	(mg/L)*				
Guixi Smelter	COD	600	119.67	23.95 mg/m ³	Standards in the table 2 of the "Emission Standard of Pollutants for Copper, Nickel, Cobalt Industry" (GB25467-2010)	Organized emissions after meeting standards	11	In the plant area
	Ammonia nitrogen	80	2.33	0.47 mg/m ³				
	Arsenic	5	0.283	0.09 mg/m ³				
	Lead	5	0.5	0.1 mg/m ³				
	Cadmium	1	0.125	0.03 mg/m ³				
	Mercury	0.5	0.001	0.0003 mg/m ³				
	Sulfur dioxide	6600	992.33	160.2 mg/m ³				
	Smoke (powder) dust	880	140.91	22.75 mg/m ³				
Jiangxi Copper	pH	/	/	7.18	"Integrated Wastewater Discharge Standard" (GB8978-1996);	Organized emissions after meeting standards	21	In the plant area
Yates Copper Foil Company Limited	COD		2.46	64.56	"Integrated Emission Standard of Air Pollutants" (GB16297-1996); "Emission Standard of Air Pollutants for Boilers" (GB13271-2014)			
	Suspended matter		0.2	5.0				
	Total copper		0.021	0.562				
	Total zinc		0.007	0.184				
	Total chromium		0.002	0.05				
	Hexavalent chromium		0.0008	0.02				
	Sulfuric acid mist		0.45	7.1 mg/m ³				
	Chromic acid mist		0.0031	0.048 mg/m ³				
	Nitrogen oxides	11.2	0.54	101.81 mg/m ³				
Jiangxi Copper	pH			6.12	Management standards of Qingshan	Organized emissions after meeting standards	2	In the plant area
Longchang	COD		0.43407	21	Lake Sewage Treatment Plant (Nanchang city)			
Precise Pipe Company Limited	Ammonia nitrogen		0.00889	0.43				
	SS		0.28938	14				
	BOD ₅		0.09508	4.6				
	Animal and vegetable oils		0.00744	0.36				
	Petroleum		0.00083	0.04				

Significant Events

Names of companies	Names of major pollutants	Total emissions		Emission concentration (mg/L)*	Pollutant emission standards implemented	Emission methods	Number of outlets	
		approved (t/a)	Total emissions (t/a)*				outlets	Distribution of outlets
Jiangxi Jiangtong-Wengfu Chemical Company Limited	Sulfur dioxide gas	752	37.96	45.56 mg/m ³	Emission Standard of Pollutants for Sulfuric Acid Industry (GB26132-2010)	Organized emissions after meeting standards	2	In the plant area
Wushan Copper Mine	pH	/	/	7.58	Standards in the table 2 of the "Emission Standard of Pollutants for Copper, Nickel, Cobalt Industry" (GB25467-2010); A-level standards in the table 4 of the "Integrated Wastewater Discharge Standard" (GB8978-1996)	Organized emissions after meeting standards	3	1 opposite the west main gate of the mining area and 2 in the mining area
	COD	430	154.589	42.67				
	Ammonia nitrogen	60	11.5876	3.198				
	Suspended matter		107.617	29.7				
	Total copper	10	0.273	0.075				
	Total zinc		0.234	0.064				
	Total lead		0.725	0.2				
	Total cadmium		0.181	0.05				
	Total arsenic		0.174	0.048				
JCC Yinshan Mine Company Limited	pH			7.03	Standards in the table 2 of the "Emission Standard of Pollutants for Copper, Nickel, Cobalt Industry" (GB25467-2010)	Organized emissions after meeting standards	1	In the water outlet of tailings pond
	COD	157.4	72.98	35.942				
	Ammonia nitrogen	9.7	3.02	2.525				
	Suspended matter		34.837	29.132				
	Total copper		0.048	0.04				
	Total lead		0.013	0.011				
	Total zinc		0.377	0.315				
Yongping Copper Mine	COD	375	125.82	25.46	Standards in the table 2 of the "Emission Standard of Pollutants for Copper, Nickel, Cobalt Industry" (GB25467-2010)	Organized emissions after meeting standards	3	In the mining area
	pH			7.13				
	Total copper		311.56kg	0.09				
	Total lead		1162.00kg	0.235				
	Total zinc		456.37kg	0.13				
	Total cadmium		86.81kg	0.018				
	Suspended matter		70.21	20.00				

Explanation: The pollutants with their corresponding approved emissions shown in the table are the targets specially controlled and managed by the state or local governments, while other unconfirmed pollutants are also regulated by the state or local governments, and will be discharged by the company or its subsidiaries in an orderly manner after meeting standards.

*: Unless otherwise stated.

Significant Events

2. Construction and operation of pollution prevention facilities

The Company actively puts the concept of “Green Development, Environmental Priority” into practice. Over the years, it has continuously increased its investment in environmental protection, carried out the construction of pollution prevention and control capabilities, and implemented a number of ecological restoration and environmental governance projects.

During the reporting period, the Company added a batch of environmental protection and anti-pollution facilities and construction projects, improving its pollution prevention and control capabilities. It also continued to strengthen the operation and maintenance of environmental protection facilities, and as a result, the environmental protection facilities operated well and pollutants were effectively treated. No major pollution accidents occurred.

3. Environmental impact assessment and other environmental protection administrative licensing of construction projects

Key projects	Environmental impact assessment issued/ acceptance status	Notes
Start-up project of Chengmenshan Copper Mine (1,200 tonnes/day)	Passed acceptance	Department of Environmental Protection of Jiangxi Province (Gan Huan Kai Zi [2000] No.19, Gan Huan Ping Han [2007] No. 292)
Phase II expansion project of Chengmenshan Copper Mine	Passed acceptance	Department of Environmental Protection of Jiangxi Province (Gan Huan Du Zi [2007] No. 91, Gan Huan Ping Han [2014] No. 206)
Technical reconstruction project for mining expansion of Dexing Copper Mine	Passed acceptance	Ministry of Environmental Protection (Huan Shen [2008] No. 140, Huan Yan [2015] No. 112)
System I 100,000 t/a production project of Jiangxi Copper Dexing Chemical Company Limited	Passed acceptance	Shangrao Environmental Protection Bureau (Rao Huan Du Zi [2004] No. 51, Rao Huan Du Zi [2006] No. 82)

Significant Events

Key projects	Environmental impact assessment issued/ acceptance status	Notes
System II 400,000 t/a production project of Jiangxi Copper Dexing Chemical Company	Passed acceptance	Department of Environmental Protection of Jiangxi Province (Gan Huan Du Zi [2008] No. 493, Gan Huan Ping Han [2014] No. 58)
300,000 t/a copper smelting project of Guixi Smelter	Passed acceptance	Ministry of Environmental Protection (Huan Shen [2006] No. 207, Huan Yan [2014] No. 269)
6000 t/a high-grade electrolytic copper foil project of Jiangxi Copper Company Limited	Passed acceptance	Department of Environmental Protection of Jiangxi Province (Gan Huan Du Zi [2007] No. 27, Gan Huan Ping Zi [2010], No. 524)
Phase II construction project of Jiangxi Copper Longchang Precise Pipe Company Limited	Passed acceptance	Department of Environmental Protection of Jiangxi Province (Gan Huan Du Zi [2008] No. 14, Gan Huan Ping Han [2013] No. 180)
400,000 t/a sulfuric acid project of a sino-foreign joint venture – Jiangxi Jiangtong – Wengfu Chemical Company Limited	Passed acceptance	Department of Environmental Protection of Jiangxi Province (Gan Huan Du Han [2005] No. 97, Gan Huan Jian Zi [2007] No. 042)
Technical reconstruction expansion project of Wushan Copper Mine through deep exploration	Passed acceptance	Department of Environmental Protection of Jiangxi Province (Gan Huan Du Zi [2006] No. 106, Gan Huan Ping Han [2012] No. 047)

Significant Events

Key projects	Environmental impact assessment issued/ acceptance status	Notes
5,000 t/d mining technology reconstruction project of Jiuqu Copper-gold Mine of JCC Yinshan Mining Company Limited	Passed acceptance	Department of Environmental Protection of Jiangxi Province (Gan Huan Du Zi [2009] No. 219, Gan Huan Ping Han [2013] No. 237)
Technical reconstruction project from open-pit mining to underground mining of Yongping Copper Mine	Passed acceptance	Department of Environmental Protection of Jiangxi Province (Gan Huan Du Zi [2006] No. 236, Gan Huan Ping Han [2015] No. 88)

4. Contingency plan for emergency environmental incidents

The Company and its subsidiaries have formulated the “Contingency Plan for Emergency Environmental Incidents” and reported and filed to environmental protection authorities, in order to establish and improve the response mechanism for environmental pollution accidents, improve the ability of the Company and its subsidiaries of responding to emergency environmental pollution accidents related to public crisis, maintain social stability, safeguard the well-being of the public and safety of property, and promote the comprehensive, coordinated and sustainable development of society.

5. Self-monitoring environment programs

The Company and its subsidiaries conduct self-monitoring work and formulate self-monitoring programs in accordance with the regulations of the relevant authorities at all levels, and continuously improve the capacity of monitoring stations to update environmental monitoring equipment and improve the accuracy of monitoring. At the same time, the monitoring data and related information are released in a timely, complete, and accurate manner as required by relevant authorities.

6. Other environmental information that should be disclosed

Not applicable

Significant Events

(II) Explanation on the environmental protection of the companies other than key pollutant discharging units

Not applicable

(III) Explanation on the reasons for non-disclosure of environmental protection information by the companies other than the key pollutant discharging units

Not applicable

(IV) Explanation on the subsequent development or changes on the disclosure of environmental protection information during the reporting period

Not applicable

XV. AUDIT COMMITTEE

The Company has convened Audit Committee meeting at which the unaudited interim condensed consolidated financial statements and the interim results report for the six months ended 30 June 2018 were considered and approved.

XVI. CODE ON CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining and establishing high level of corporate governance.

To the knowledge of the Board, 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 Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange during the reporting period, with the exception of the following:

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.

Under code provision A.2.1 of the Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. As Mr. Li Baomin resigned as chairman on 11 September 2017, Mr. Long Ziping acted as both the chairman and general manager of the Company from 11 September 2017 to 7 January 2018. From 8 January 2018, Mr. Wu Yuneng has been appointed as the general manager.

Significant Events

XVII. PURCHASE, DISPOSAL OR REPURCHASE OF THE COMPANY'S LISTED SECURITIES

During the reporting period, the Company did not repurchase any of its listed securities. Neither the Company nor any of its subsidiaries purchased or disposed of any listed securities of the Company during the reporting period.

XVIII. MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

During the reporting period, the Company adopted the Model Code (the "Model Code") for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules. Having made specific enquiries to all Directors and Supervisors, the Company confirms that all the Directors and Supervisors have complied with the standards required in the Model Code during the reporting period.

XIX. CAPITAL STRUCTURE OF THE GROUP

The existing loans and cash and cash equivalents of the Group are denominated in RMB, USD and HKD which are the currencies used for respective businesses. The main sources of the fund of the Company are cash inflows generated from normal operating activities such as sale of products and the liquidity loans borrowed from banks, which are mainly used as funds required for the purchase of raw materials, other materials and spare parts for products and the repayment of bank borrowings upon maturity.

To strengthen financial control, the Company formulated a series of rules and policies, including the Administrative Measures for the Use of Large Amount of Fund (《大額資金使用管理辦法》), the Administrative Measures for the Fund of Jiangxi Copper Company Limited (《江西銅業股份有限公司資金管理辦法》), the Administrative System for the Fund of Jiangxi Copper Company Limited (《江西銅業股份有限公司資金管理制度》) and the Interim Measures for the Accounting of Hedging of Copper Futures of the Company (《公司銅期貨套期保值會計核算暫行辦法》).

The Company mainly locks in forward exchange rates to prevent adverse effects from the fluctuation of exchange rates by using foreign exchange derivatives, including the lock-in of the exchange rate of future financial liabilities upon maturity under forward and swap contracts.

Significant Events

XX. PLEDGES ON GROUP ASSETS

As of 30 June 2018, assets of the Group amounting to the net book value of RMB5,557.56 million were pledged for securing certain bank loans, including the pledged term deposits of RMB2,043.47 million (31 December 2017: RMB2,211.95 million), bank acceptance bills and letters of credit of RMB3,457.00 million (31 December 2017: RMB1,191.12 million), pledged buildings of RMB0 (31 December 2017: nil), pledged machinery and equipment of RMB528.56 million (31 December 2017: RMB436.61 million), pledged land use right of RMB0 (31 December 2017: RMB78.25 million), pledged inventory of RMB263.88 million (31 December 2017: RMB144.45 million) and pledged available-for-sale financial assets of RMB0 (31 December 2017: RMB278.44 million). The Group had not pledged any Renminbi account receivables (31 December 2017: nil).

XXI. GEARING RATIO

The gearing ratio of the Company is 100.64%. Gearing ratio is calculated as the division of total liabilities by total equity attributable to owners of the Company in the condensed consolidated statement of financial position set out in this interim report.

XXII. FOREIGN EXCHANGE RISK

The reporting currency of the Group is Renminbi. Where any transactions in foreign currencies of the Company occurred, amounts in foreign currencies are translated into RMB at the median price of the exchange rates announced by the State Administration of Foreign Exchange on the date of transaction. Year-end balance in foreign currency account are translated in Renminbi based on the enquiries of the State Administration of Foreign Exchange at the year end.

Although currently RMB is not a freely convertible currency in the PRC, the PRC government is taking initiatives for exchange reform and to adjust exchange rates. Therefore, exchange rate fluctuations in RMB 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 payment for goods mainly in Renminbi. The Group's exposure to exchange rate fluctuations results primarily from the sales business and purchase of foreign raw materials denominated in foreign currencies.

Significant Events

XXIII. CONTINGENT LIABILITIES

As at 30 June 2018, the Group has issued financial guarantees to banks in respect of banking facilities granted to non-controlling subsidiaries to the extent of approximately RMB1,162,000,000 (31 December 2017: RMB1,238,083,900). In the opinion of the Directors of the Company, the fair value of the financial guarantee contract is insignificant at initial recognition and the Directors consider that the possibility of default of the non-controlling subsidiaries involved is remote. Accordingly, no item has been recognised in the condensed consolidation statement of financial position.

XXIV. DESCRIPTION ON OTHER MATERIAL MATTERS

(I) Description of, reasons for and impact of the change in accounting policy, accounting estimation and audit method as compared to the previous accounting period

The Ministry of Finance revised and issued Accounting Standard for Business Enterprises No. 22 – Financial Instruments: Recognition and Measurement (Cai Kuai [2017] No. 7), Accounting Standard for Business Enterprises No. 23-Transfer of Financial Assets (Cai Kuai [2017] No. 8), Accounting Standard for Business Enterprises No. 24 – Hedging (Cai Kuai [2017] No. 9), Accounting Standard for Business Enterprises No. 37-Presentation of Financial Instruments (Cai Kuai [2017] No. 14) and Accounting Standard for Business Enterprises No. 14 – Revenue (Cai Kuai [2017] No. 22) since April 2017. For the enterprises that are listed on both domestic and overseas stock markets and companies that are listed overseas and adopt International Financial Reporting Standards or Accounting Standards for Business Enterprises to prepare their financial reports, the abovementioned revised standards were required to be implemented since 1 January 2018. As an enterprise that is listed on both domestic and overseas stock markets, the Group has adopted such revised standard since 1 January 2018, and was approved by the Board of the Group as changes in accounting policy on 28 December 2017. According to the transitional provisions, the information for the comparable reporting period was not adjusted. The differences arising from implementation of the new standards on the first implementation date and the current standards were adjusted to retained earnings or other comprehensive income at the beginning of the reporting period. For details, please refer to the content of paragraph 2.2 of “Notes to Financial Information” under the section headed “Financial Report” of this report.

(II) Retrospective restatement to be made to correct major accounting errors during the reporting period, the corrected amounts, reasons, and their impacts

Not applicable

(III) Others

Not applicable

Changes in Share Capital and Shareholders

I. TABLE OF CHANGES IN SHARES

(I) Table of changes in shares

1. Table of changes in shares

During the reporting period, there were no changes in total number of shares and the share capital structure of the Company.

2. Explanation on changes in shares

Not Applicable

3. Impact of changes in shares on earnings per share, net assets per share and other financial indicators, if any, subsequent to the reporting period and up to the date of disclosure of the interim report

Not applicable

4. Other information to be disclosed as deemed necessary by the Company or as required by securities regulators

Not applicable

(II) Changes in shares subject to lock-up

Not applicable

II. THE NUMBER OF SHAREHOLDERS AND SHAREHOLDINGS

(1) Total number of shareholders

Total number of ordinary shareholders at the end of the reporting period	138,490
Total number of preference shareholders with voting rights restored at the end of the reporting period	0

Changes in Share Capital and Shareholders

(2) Table of shareholdings of the top ten shareholders and the top ten shareholders holding tradable shares (or shareholders not subject to lock-up) at the end of the reporting period

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 reporting period	Percentage (%)	Number of shares held		Situation of pledge or freeze Share status Number	Nature of shareholder
				subject to lock-up	Share		
JCC	0	1,403,614,110	40.53	0	Nil	0	State-owned legal person
HKSCC Nominees Limited ("HKSCC")	191,999	1,180,768,594	34.10	0	Unknown		Unknown
China Securities Finance Corporation Limited	58,479,728	97,313,242	2.81	0	Unknown		Unknown
Central Huijin Asset Management Limited	0	31,843,800	0.92	0	Unknown		Unknown
Agricultural Bank of China Company Limited – China Post Core Growth Mixed Securities Investment Fund (中國農業銀行股份有限公 司—中郵核心成長混合型證 券投資基金)	-236,500	10,763,500	0.31	0	Unknown		Unknown
China Life Insurance Co., Ltd. – Traditional – Ordinary Insurance Products – 005L – CT001 SH (中國人壽保險 股份有限公司—傳統—普通 保險產品—005L—CT001滬)	-1,017,293	9,989,900	0.29	0	Unknown		Unknown
Beijing Fengshan Investment Ltd.	0	6,784,000	0.20	0	Unknown		Unknown
Hong Kong Securities Clearing Company Limited	6,366,217	6,366,217	0.18	0	Unknown		Unknown
Wutongshu Investment Platform Co., Ltd.	0	5,993,953	0.17	0	Unknown		Unknown
Huatai Securities Co., Ltd.	5,540,290	5,540,290	0.16	0	Unknown		Unknown

Changes in Share Capital and Shareholders

Shareholdings of the top ten shareholders not subject to lock-up

Unit: Share

Name of shareholder	Number of tradable shares held not subject to lock-up	Class and number of shares	
		Class	Number
JCC	1,403,614,110	Ordinary shares denominated in RMB (A share)	1,205,479,110
		Overseas listed foreign shares (H share)	198,135,000
HKSCC	1,180,768,594	Overseas listed foreign shares (H share)	1,180,768,594
China Securities Finance Corporation Limited	97,313,242	Ordinary shares denominated in RMB (A share)	97,313,242
Central Huijin Asset Management Limited	31,843,800	Ordinary shares denominated in RMB (A share)	31,843,800
Agricultural Bank of China Company Limited – China Post Core Growth Mixed Securities Investment Fund (中國農業銀行股份有限公司–中郵核心成長混合型證券投資基金)	10,763,500	Ordinary shares denominated in RMB (A share)	10,763,500
China Life Insurance Co., Ltd. – Traditional – Ordinary Insurance Products – 005L – CT001 SH (中國人壽保險股份有限公司–傳統–普通保險產品–005L–CT001滬)	9,989,900	Ordinary shares denominated in RMB (A share)	9,989,900
Beijing Fengshan Investment Ltd.	6,784,000	Ordinary shares denominated in RMB (A share)	6,784,000
Hong Kong Securities Clearing Company Limited	6,366,217	Ordinary shares denominated in RMB (A share)	6,366,217
Wutongshu Investment Platform Co., Ltd.	5,993,953	Ordinary shares denominated in RMB (A share)	5,993,953
Huatai Securities Co., Ltd.	5,540,290	Ordinary shares denominated in RMB (A share)	5,540,290

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 lock-up are neither connected persons nor parties acting in concert as defined in "the Measures for the Administration of the Takeover of Listed Companies" (《上市公司收購管理辦法》) issued by CSRC;
- (2) The Company is not aware of any connected relationship among the holders of shares not subject to lock-up, nor aware of any parties acting in concert as defined in "the Measures for the Administration of the Takeover of Listed Companies" (《上市公司收購管理辦法》) issued by CSRC.

Preferred shareholders with restored voting rights and / their shareholding

Note: HKSCC is a member of the Central Clearing and Settlement System, providing registration and custodial services for customers. HKSCC held a total of 1,378,903,594 shares of the Company in the capacity of nominee on behalf of a number of customers, representing approximately 39.82% of the total share capital of the Company. 198,135,000 H Shares held by JCC are also registered in HKSCC. Excluding those H Shares held by JCC, HKSCC held 1,180,768,594 shares of the Company on behalf of a number of customers, representing approximately 34.10% of the total share capital of the Company.

Changes in Share Capital and Shareholders

Shareholdings of the top ten shareholders subject to lock-up and the trading restrictions

Not applicable

(3) Strategic investors or general legal person who become the top ten shareholders due to the placement of new shares

Not applicable

(4) Shareholders' interests and short positions

As at 30 June 2018, 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 total number of the relevant class of shares of the Company (%)	Approximate percentage of the issued share capital of the Company (%)
JCC	A Shares	Beneficial owner	1,205,479,110 (L)	58.09(L)	34.81(L)
JCC	H Shares	Beneficial owner	198,135,000 (L) (Note 2)	14.28(L)	5.72(L)
BlackRock, Inc. (Note 3)	H Shares	Interests in a controlled corporation	101,867,417(L) 259,000(S)	7.34(L) 0.02(S)	2.94(L) 0.007(S)

Note 1: "L" means long position in the shares; "S" means short position in the shares.

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

Note 3: According to the corporate substantial shareholder notice filed by BlackRock Inc. on 27 June 2018, long position in 162,000 H shares and short position in 259,000 H Shares are cash settled unlisted derivatives.

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 30 June 2018.

(5) Changes in controlling shareholder and de facto controller

Not applicable

Directors, Supervisors and Senior Management

I. CHANGES IN SHAREHOLDING

(I) Changes in shareholdings of existing and resigned Directors, Supervisors and senior management during the reporting period

Not applicable

(II) Details of the equity incentives granted to Directors, Supervisors and senior management during the reporting period

Not applicable

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

Name	Position held	Change
Long Ziping	Director (<i>chairman of the Board</i>)	Election
Wu Yuneng	Director (<i>vice chairman of the Board</i>)	Election
Wang Bo	Director	Election
Wu Jinxing	Director	Election
Dong Jiahui	Director	Election
Gao Jianmin	Director	Election
Liang Qing	Director	Election
Tu Shutian	Independent Director	Election
Liu Xike	Independent Director	Election
Liu Erfei	Independent Director	Election
Zhou Donghua	Independent Director	Election
Hu Qingwen	Supervisor (<i>chairman of Supervisory Committee</i>)	Election
Zhang Jianhua	Supervisor	Election
Liao Shengsen	Supervisor	Election
Zeng Min	Supervisor	Election
Zhang Kui	Supervisor	Election
Long Ziping	General manager	Dismissal
Sun Chuanxiao	Independent Director	Resignation
Wu Yuneng	General manager	Appointment

Directors, Supervisors and Senior Management

Explanation on the changes in Directors, Supervisors and senior management of the Company

1. On 8 January 2018, the Board of the Company agreed to appoint Mr. Wu Yuneng as the general manager of the Company; Mr. Long Ziping ceased to concurrently act as the general manager of the Company.
2. Mr. Sun Chuanxiao, an independent director, submitted his resignation to the Company on 6 March 2018, which took effect on the same date.
3. Due to the expiration of the seventh session of the Board and the Supervisory Committee of the Company, with a term of office of three years, the eighth session of the Board and the Supervisory Committee of the Company were elected at the Annual General Meeting held on 12 June 2018.
4. On 13 June 2018, the Board elected Mr. Long Ziping and Mr. Wu Yuneng to be the chairman and the vice chairman, respectively, of the eighth session of the Board of the Company.

III. SHAREHOLDING OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

As at 30 June 2018, 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 corporations 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 set out in Appendix 10 to the Listing Rules.

IV. OTHER EXPLANATIONS

Not applicable

Corporate Bonds

I. Basic Information of Corporate Bonds

Unit: 00'000'000 Currency: RMB

Name of bonds	Abbreviation	Code	Issue date	Maturity date	Bonds balance	Interest rate (%)	Repayment of principal and interest	Trading venue
2017 Corporate Bonds (First Tranche) publicly issued to qualified investors by Jiangxi Copper Company Limited	17 JCC 01	143304	20 September 2017	21 September 2022	5	4.74	The interest of the bonds is payable on a yearly basis and the principal is payable upon maturity. The interest is payable annually, and the final interest shall be paid together with the principal amount.	Shanghai Stock Exchange

Interest payment and repayment of corporate bonds

Not applicable

Other information on corporate bonds

- (1) Options for the Company to adjust the coupon rate: The Company is entitled to determine to adjust the coupon rate for the 2 years following the end of the third year of the term of the current bonds. The Company will publish an announcement on whether to adjust the coupon rate of the bonds and the adjustment rate on the 20th business day prior to the interest payment date of the third interest payment year of the current bonds. If the Company does not exercise the option to adjust the coupon rate, the coupon rate for the remaining term will remain unchanged at the original coupon rate.
- (2) Resale options of investors: Upon publication of the announcement on whether to adjust the coupon rate of the current bond, and the adjustment rate, investors are entitled to elect to register during the announced resale registration period for investors so as to resell all or part of the current bonds held by them at face value to the Company. If bonds holders do not register, they will be deemed to continue to hold the current bonds and accept the aforementioned adjustment.

Corporate Bonds

II. Contact Person and Contact Information of Corporate Bonds Trustee Manager and Contact Information of Credit Rating Organization

Bonds trustee manager	Name	China International Capital Corporation Limited
	Office address	27th and 28th Floors, China World Tower 2, No. 1 Jianguomenwai Avenue, Beijing
	Contact persons	Shang Chen (尚晨), Rui Wendong (芮文東) and Lian Meng (廉盟)
	Telephone No.	010-65051166
Credit rating organization	Name	China Chengxin Securities Rating Co., Ltd.
	Office address	14th Floor, Building C, Merchants International Financial Center, No. 156 Fuxingmen Outer Street, Xicheng District, Beijing

Other explanation

Not applicable

III. Utilization of Proceeds from Corporate Bonds

Proceeds from the corporate bonds have been used for their designated purpose as disclosed. At of 30 June 2018, apart from the interests of RMB20,000, all the proceeds have been utilized.

IV. Rating of Corporate Bonds

On 28 May 2018, China Chengxin Securities Credit Rating Co., Ltd.* (中誠信證券評估有限公司) conducted tracked credit rating on the “2017 JCC 01” bonds issued by the Company: maintained credit rating of current bonds as AAA; maintained Corporate credit rating as AAA; forward-looking rating was stable. For details, please refer to the credit rating report titled ‘Announcement on the Tracked Credit Rating Results on Corporate Bonds “17 JCC 01” of Jiangxi Copper Company Limited’ disclosed on the website of Shanghai Stock Exchange (www.sse.com.cn) on 29 May 2018.

Corporate Bonds

V. Credit Enhancement Mechanism, Debt Repayment Scheme and Other Relevant Information of Corporate Bonds during the Reporting Period

Not applicable

VI. Convening of Meetings of Bondholders

Not applicable

VII. Performance of Corporate Bonds Trustee Manager

In the duration of corporate bonds, the bond trustee manager has, in strict accordance with the requirements as stipulated in the Bond Trustee Management Agreement, continuously tracked the credit status, management and use of raised funds and repayment of principal and interests of corporate bonds, and has urged the Company to fulfil its obligations as agreed in the offering circular of corporate bonds, and has actively performed the duties and responsibilities as a bond trustee manager and protected the legitimate rights and interests of bond holders.

The trustee manager has disclosed the 'Annual Report on the Corporate Bond Trustee Management Affairs of Jiangxi Copper Company Limited (2017)' on 30 June 2018. Please visit the website of Shanghai Stock Exchange (www.sse.com.cn) for the full text of the report.

Corporate Bonds

VIII. Accounting Data and Financial Indicators as at the End of the Reporting Period and the End of Last Year (or the Current Reporting Period and The Same Period of Last Year)

Unit: Yuan Currency: RMB

Major indicators	As at the end of the current reporting period	As at the end of last year	Increase/decrease from the end of last year (%)	Reason for changes
Liquidity ratio	1.53	1.43	6.99	
Quick ratio	1.1	1	10.00	
Asset-liability ratio (%)	48.88	48.72	Increased by 0.16 percentage point	
Loan repayment rate (%)	100	100	-	

	As at the current reporting period (January to June)	As at the same period of last year	Increase/decrease from the same period of last year (%)	Reason for changes
EBITDA interest coverage ratio	5.27	7.56	-30.29	Increase in interest expenses
Interest coverage (%)	100	100	-	

IX. Explanation on Indebtedness Falling Due

Not applicable

Corporate Bonds

X. Interest Payment of Other Bonds and Debt Financing Instruments of the Company

Not applicable

XI. Banking Facilities during the Reporting Period

During the reporting period, the Company had obtained banking facilities up to RMB97.6 billion of which, an amount of RMB27.6 billion has been utilized and an amount of RMB70.0 billion has not been utilized.

XII. Fulfillment of Stipulations or Commitment in the Company's Bond Prospectus during the Reporting Period

Not applicable

XIII. Impact of Major Events on Operating Status and Solvency of the Company

Not applicable

Financial Report

To the board of directors of Jiangxi Copper Company Limited
(Incorporated in the People's Republic of China with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 73 to 119, which comprises the interim condensed consolidated statement of financial position of Jiangxi Copper Company Limited (the “**Company**”) and its subsidiaries (collectively referred to as, the “**Group**”) as at 30 June 2018 and the related interim condensed consolidated statement of profit or loss, the interim condensed consolidated statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, and certain explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 “Interim Financial Reporting” (“**IAS 34**”) issued by the International Accounting Standards Board (the “**IASB**”).

The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*” issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information are not prepared, in all material respects, in accordance with IAS 34.

Ernst & Young
Certified Public Accountants

Hong Kong
28 August 2018

Interim Condensed Consolidated Statement of Profit or Loss

For The Six Months Ended 30 June 2018

	<i>Notes</i>	2018 RMB'000 (Unaudited)	2017 <i>RMB'000</i> (Unaudited)
Revenue	4	104,025,788	97,759,550
Cost of sale		(101,049,631)	(94,579,484)
Gross profit		2,976,157	3,180,066
Other income	5	346,942	319,984
Other gains and losses	6	79,745	(411,619)
Selling and distribution expenses		(327,221)	(298,253)
Administrative expenses		(797,665)	(803,671)
Finance costs		(539,362)	(357,015)
Share of results of joint ventures		(11,065)	(11,548)
Share of results of associates		9,127	43,016
Profit before taxation		1,736,658	1,660,960
Taxation	8	(432,085)	(698,561)
Profit for the period		1,304,573	962,399
Attributable to:			
Owners of the Company		1,327,146	973,559
Non-controlling interests		(22,573)	(11,160)
		1,304,573	962,399
Earnings per share attributable to ordinary equity holders of the parent			
Basic and diluted (<i>RMB</i>)	10	0.38	0.28

Interim Condensed Consolidated Statement of Comprehensive Income

For The Six Months Ended 30 June 2018

	2018 <i>RMB'000</i> (Unaudited)	2017 <i>RMB'000</i> (Unaudited)
Profit for the period	1,304,573	962,399
Other comprehensive income/(expenses)		
<i>Items that may be subsequently reclassified to profit or loss</i>		
Net of tax:		
Fair value change on hedging instruments designated in cash flow hedges	–	16,225
Reclassification adjustments relating to transfer of cash flow hedges	(6,352)	(13,971)
Net gain on financial assets at fair value through other comprehensive income	1,714	173
Share of exchange differences of associates and joint ventures	27,839	(38,850)
Exchange differences arising on translation	39,241	(34,802)
Other comprehensive income/(expense), for the period, net of tax	62,442	(71,225)
Total comprehensive income for the period	1,367,015	891,174
Attributable to:		
Owners of the Company	1,382,014	907,691
Non-controlling interests	(14,999)	(16,517)
	1,367,015	891,174

Interim Condensed Consolidated Statement of Financial Position

As At 30 June 2018

		30 June 2018	31 December 2017
	<i>Notes</i>	RMB'000	RMB'000
		(Unaudited)	(Audited)
Non-current assets			
Property, plant and equipment	11	21,697,978	21,980,079
Investment properties		467,877	473,556
Prepaid lease payments		1,263,458	1,205,601
Intangible assets		1,148,206	1,182,094
Exploration and evaluation assets		691,488	603,719
Interests in associates		3,095,338	2,904,100
Interests in joint ventures		276,957	273,694
Financial assets other than derivative financial instruments	13	1,955,296	1,665,484
Deferred tax assets		708,874	716,044
Prepayment for investment		390,792	100,000
Deposits for prepaid lease payments		631,832	460,610
Deposits for property, plant and equipment		217,878	133,007
		32,545,974	31,697,988
Current assets			
Inventories		18,920,611	19,997,187
Trade and bills receivables	14	14,951,597	12,804,620
Factoring receivables		2,083,724	2,227,710
Prepayments, deposits and other receivables		4,767,606	7,528,899
Loans to fellow subsidiaries		1,163,328	1,014,165
Prepaid lease payments		30,076	28,689
Assets classified as held for sale		77,042	23,308
Derivative financial instruments	12	278,391	191,770
Financial assets other than derivative financial instruments	13	2,759,980	2,951,286
Restricted bank deposits	15	8,615,456	8,639,835
Cash and cash equivalents	15	13,682,075	10,363,203
		67,329,886	65,770,672

Interim Condensed Consolidated Statement of Financial Position

As At 30 June 2018

	<i>Notes</i>	30 June 2018 RMB'000 (Unaudited)	31 December 2017 RMB'000 (Audited)
Current liabilities			
Trade and bills payables	16	8,058,176	7,881,408
Contract liabilities		1,597,633	–
Other payables and accruals		3,794,356	4,898,623
Deposits from holding company and fellow subsidiaries		1,981,824	3,102,720
Deferred revenue		45,120	50,915
Derivative financial instruments	12	241,038	724,148
Interest-bearing bank borrowings	17	27,124,336	28,500,226
Dividend payable		692,546	–
Income tax payable		395,057	772,880
		43,930,086	45,930,920
Net current assets		23,399,800	19,839,752
Total assets less current liabilities		55,945,774	51,537,740
Non-current liabilities			
Interest-bearing bank borrowings	17	3,308,750	8,750
Corporate Bonds	18	500,000	500,000
Provision for rehabilitation		221,682	182,485
Employee benefit liabilities		63,135	63,880
Deferred revenue		543,525	568,905
Other long-term payables		94,264	124,648
Deferred tax liabilities		159,866	105,838
		4,891,222	1,554,506
Net assets		51,054,552	49,983,234

Interim Condensed Consolidated Statement of Financial Position

As At 30 June 2018

<i>Notes</i>	30 June 2018 RMB'000 (Unaudited)	31 December 2017 RMB'000 (Audited)
EQUITY		
Capital and reserves		
Share capital	3,462,729	3,462,729
Reserves	45,050,278	44,069,702
Equity attributable to owners of the Company	48,513,007	47,532,431
Non-controlling interests	2,541,545	2,450,803
	51,054,552	49,983,234

Mr. Long Ziping
Director

Mr. Wu Jinxing
Director

Interim Condensed Consolidated Statement of Changes in Equity

For The Six Months Ended 30 June 2018

For the six months ended 30 June 2018

	Attributable to owners of the company												Non-controlling interests	Total
	Share capital	Share premium	Capital reserve	Other reserves	Statutory surplus reserve	Discretionary surplus reserve	Safety funds surplus reserve	Hedging reserve	Translation reserve	Proposed dividends	Retained profits	Sub-total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 31 December 2017 (Audited)	3,462,729	12,647,502*	(898,369)*	(98,191)*	4,816,743*	9,647,574*	420,620*	6,352*	(114,878)*	692,546*	16,949,803*	47,532,431	2,450,803	49,983,234
Change in accounting policy (Note 2.2)	-	-	-	806	-	-	-	-	-	-	290,302	291,108	44,370	335,478
At 1 January 2018 (restated)	3,462,729	12,647,502	(898,369)	(97,385)	4,816,743	9,647,574	420,620	6,352	(114,878)	692,546	17,240,105	47,823,539	2,495,173	50,318,712
Profit/(loss) for the period	-	-	-	-	-	-	-	-	-	-	1,327,146	1,327,146	(22,573)	1,304,573
Other comprehensive income/ (expense) for the period	-	-	-	1,714	-	-	-	(6,352)	59,506	-	-	54,868	7,574	62,442
Total comprehensive income/(expense) for the period	-	-	-	1,714	-	-	-	(6,352)	59,506	-	1,327,146	1,382,014	(14,999)	1,367,015
Contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	78,965	78,965
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(17,594)	(17,594)
Dividend declared	-	-	-	-	-	-	-	-	-	(692,546)	-	(692,546)	-	(692,546)
Transfer between Categories	-	-	-	-	-	-	49,519	-	-	-	(49,519)	-	-	-
As at 30 June 2018 (Unaudited)	3,462,729	12,647,502*	(898,369)*	(95,671)*	4,816,743*	9,647,574*	470,139*	-	(55,372)*	-	18,517,732*	48,513,007	2,541,545	51,054,552

* These reserve accounts comprise the consolidated reserves of RMB45,050,278,000 (31 December 2017: RMB44,069,702,000) in the condensed consolidated statement of financial position.

For the six months ended 30 June 2017

	Attributable to owners of the company												Non-controlling interests	Total
	Share capital	Share premium	Capital reserve	Other reserves	Statutory surplus reserve	Discretionary surplus reserve	Safety funds surplus reserve	Hedging reserve	Translation reserve	Proposed dividends	Retained profits	Sub-total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January 2017 (audited)	3,462,729	12,647,502	(902,113)	(97,626)	4,816,743	9,647,574	375,030	1,642	84,980	519,409	16,042,116	46,597,986	2,224,862	48,822,848
Profit (loss) for the period	-	-	-	-	-	-	-	-	-	-	973,559	973,559	(11,160)	962,399
Other comprehensive income/ (expense) for the period	-	-	-	173	-	-	-	2,254	(68,295)	-	-	(65,868)	(5,357)	(71,225)
Total comprehensive income/(expense) for the period	-	-	-	173	-	-	-	2,254	(68,295)	-	973,559	907,691	(16,517)	891,174
Dividends declared	-	-	-	-	-	-	-	-	-	(519,409)	-	(519,409)	-	(519,409)
Transfer between Categories	-	-	-	-	-	-	143,345	-	-	-	(143,345)	-	-	-
As at 30 June 2017 (unaudited)	3,462,729	12,647,502	(902,113)	(97,453)	4,816,743	9,647,574	518,375	3,896	16,685	-	16,872,330	46,986,268	2,208,345	49,194,613

Interim Condensed Consolidated Statement of Cash Flows

For The Six Months Ended 30 June 2018

	2018 <i>RMB'000</i> (Unaudited)	2017 <i>RMB'000</i> (Unaudited)
NET CASH FROM OPERATING ACTIVITIES	805,337	665,781
INVESTING ACTIVITIES		
Proceeds from disposal of investments	7,627,635	4,597,718
Repayment of loans to fellow subsidiaries	–	973,000
Dividend received from an equity investment	13,500	13,500
Dividend received from an associate	–	11,199
Proceeds from disposal of property, plant and equipment	65,299	24,297
Additional investment in an associate	(154,533)	(113,133)
Additional investment in a joint venture	(14,069)	(6,683)
Purchase of investments	(6,713,857)	(4,899,440)
Increase in restricted bank deposits	–	(4,742,260)
Advance of loans to fellow subsidiaries	–	(608,000)
Deposits paid for property, plant and equipment	(256,097)	(311,649)
Purchase of property, plant and equipment	(951,050)	(1,204,129)
Purchase of exploration and evaluation assets	(74,150)	(20,168)
Other investing cash flows (net)	2,597	(23)
Net cash flows used in investing activities	(454,725)	(6,285,771)
FINANCING ACTIVITIES		
New bank and other borrowings	25,979,355	16,486,769
Collection of pledged time deposits to secure bank borrowings	168,483	–
Proceeds from transfer of entrusted account receivables	1,511,000	–
Repayment of bank and other borrowings	(24,223,892)	(10,709,887)
Interest paid	(536,987)	(357,410)
Dividends paid to non-controlling interests	(17,594)	(49,600)
Net cash flows from financing activities	2,880,365	5,369,872
Net increase/(decrease) in cash and cash equivalents	3,230,977	(250,118)
Cash and cash equivalents at the beginning of the period	10,363,203	8,260,268
Effect of foreign exchange rate changes	87,895	(101,597)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD, REPRESENTING BANK BALANCES AND CASH	13,682,075	7,908,553

Notes to Financial Information

For The Six Months Ended 30 June 2018

1. CORPORATE INFORMATION

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 registered address of the Company is located at 15 Yejin Avenue, Guixi City, Jiangxi, the PRC. The Company's ultimate 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.

2. BASIS OF PREPARATION AND CHANGES IN THE GROUP'S ACCOUNTING POLICIES

2.1 Basis of preparation

The interim condensed consolidated financial information, (which comprise the interim condensed consolidated statement of financial position of Jiangxi Copper Company Limited and its subsidiaries (together, the “**Group**”) as at 30 June 2018 and the related interim condensed consolidated statement of profit or loss, the interim condensed consolidated statement of comprehensive income, changes in equity and cash flows for the period then ended), have been prepared in accordance with IAS 34 “Interim Financial Reporting” issued by the IASB and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

The interim condensed consolidated financial information do not include all the information and disclosures required in the annual financial information, and should be read in conjunction with the Group's annual financial information as at 31 December 2017.

Notes to Financial Information

For The Six Months Ended 30 June 2018

2. BASIS OF PREPARATION AND CHANGES IN THE GROUP'S ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policies and disclosures

The accounting policies and basis of preparation adopted in the preparation of the interim condensed consolidated financial information are consistent with those followed in the preparation of the annual consolidated financial statements for the year ended 31 December 2017, except for the adoption of new standards, interpretations and amendments effective as of 1 January 2018. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The Group applies, for the first time, IFRS 15 *Revenue from Contracts with Customers* and IFRS 9 *Financial Instruments*. As required by IAS 34, the nature and effect of these changes are disclosed below.

Several other amendments and interpretations apply for the first time in 2018, but do not have any impact on the interim condensed consolidated financial information of the Group.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 supersedes IAS 11 *Construction Contracts*, IAS 18 *Revenue* and related Interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

Notes to Financial Information

For The Six Months Ended 30 June 2018

2. BASIS OF PREPARATION AND CHANGES IN THE GROUP'S ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policies and disclosures (Continued)

IFRS 15 Revenue from Contracts with Customers (Continued)

The Group adopted IFRS 15 using the modified retrospective method of adoption and there was no impact on the Group's retained earnings upon adoption of IFRS 15. The effect of adopting IFRS 15 is as follows:

- The comparative information for each of the primary financial statements would be presented based on the requirements of IAS 11, IAS 18 and related Interpretations; and
- As required for the interim condensed consolidated financial information, the Group disaggregated revenue recognised from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. Refer to Note 5 for the disclosure on disaggregated revenue. Disclosures for the comparative period in the notes to the financial statements would also follow the requirements of IAS 11, IAS 18 and related Interpretations. As a result, the disclosure of disaggregated revenue in Note 5 would not include comparative information under IFRS 15.

Contract liabilities in relation to advance receipts from customers were previously included in other payables and accruals. Reclassifications were made as at 1 January 2018 to be consistent with the terminology used under IFRS 15 as below:

	IAS 18 carrying amount 31 December 2017 RMB'000	Reclassification RMB'000	IFRS 15 carrying amount 1 January 2018 RMB'000
Current liabilities			
Other payables and accruals	4,898,623	(1,543,606)	3,355,017
Contract liabilities	–	1,543,606	1,543,606

Notes to Financial Information

For The Six Months Ended 30 June 2018

2. BASIS OF PREPARATION AND CHANGES IN THE GROUP'S ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policies and disclosures (Continued)

IFRS 9 Financial Instruments

IFRS 9 *Financial Instruments* replaces IAS 39 *Financial Instruments: Recognition and Measurement* for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Group has not restated comparative information for financial instruments in the scope of IFRS 9. Therefore, the comparative information is reported under IAS 39 and is not comparable to the information presented for the six months ended 30 June 2018.

(a) Classification and measurement

On 1 January 2018 (the date of initial application of IFRS 9), management of the Group has assessed financial assets held by the Group and has classified them into the appropriate IFRS 9 categories.

Under IFRS 9, debt financial instruments are subsequently measured at fair value through profit or loss (“**FVPL**”), amortised cost, or fair value through other comprehensive income (“**FVOCI**”). The classification is based on two criteria: the Group's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding (the “**SPPI criterion**”).

The new classification and measurement of the Group's debt financial assets are, as follows:

- Debt instruments at amortised cost for financial assets that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the SPPI criterion. This category includes the Group's trade and other receivables, factoring receivables and loans to fellow subsidiaries.
- Debt instruments at FVOCI, with gains or losses recycled to profit or loss on derecognition. Financial assets in this category are the Group's quoted debt instruments that meet the SPPI criterion and are held within a business model both to collect cash flows and to sell. Under IAS 39, the Group's quoted debt instruments were classified as available-for-sale (AFS) financial assets.

Notes to Financial Information

For The Six Months Ended 30 June 2018

2. BASIS OF PREPARATION AND CHANGES IN THE GROUP'S ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policies and disclosures (Continued)

IFRS 9 Financial Instruments (Continued)

(a) *Classification and measurement (Continued)*

Other financial assets are classified and subsequently measured, as follows:

- Financial assets at FVPL comprise derivative instruments and equity instruments which the Group had not irrevocably elected, at initial recognition or transition, to classify at FVOCI. This category also includes debt instruments whose cash flow characteristics fail the SPPI criterion or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell. Under IAS 39, the Group's quoted equity securities and certain quoted debt instruments were classified as AFS financial assets.

The assessment of the Group's business models was made as of the date of initial application, 1 January 2018. The assessment of whether contractual cash flows on debt instruments are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

Notes to Financial Information

For The Six Months Ended 30 June 2018

2. BASIS OF PREPARATION AND CHANGES IN THE GROUP'S ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policies and disclosures (Continued)

IFRS 9 Financial Instruments (Continued)

(a) Classification and measurement (Continued)

The following adjustments were made to the consolidated statement of financial position at the date of initial application, 1 January 2018. The effect of adopting IFRS 9 is as follows:

	IAS 39 31 December 2017			IFRS 9 1 January 2018	
	Categories	Carrying amount RMB'000	Re-measurement RMB'000	Categories	Carrying amount RMB'000
Debt instruments (including hybrid contracts):					
Bills receivable	Loans and receivables	3,200,367	–	FVOCI	3,200,367
Listed debentures	Held-for-trading financial assets	152,874	–	FVPL	152,874
Investments in financial products	AFS	2,856,762	–	FVPL	2,856,762
Investments in financial products	Other investment	70,375	–	FVPL	70,375
Bonds investment	AFS	54,664	806	FVOCI	55,470
Equity instruments:					
Listed equity investments	Held-for-trading financial assets	56,861	–	FVPL	56,861
Unlisted equity investments	AFS	910,564	371,956	FVPL	1,282,520
Income right attached to a target equity interest	AFS	514,670	–	FVPL	514,670
Total		7,817,137	372,762		8,189,899
Deferred tax liabilities			36,478		36,478
Equity					
Other reserves		(98,191)	806		(97,385)
Retained profits		16,949,803	290,302		17,240,105
Non-controlling interests		2,450,803	44,370		2,495,173

Notes to Financial Information

For The Six Months Ended 30 June 2018

2. BASIS OF PREPARATION AND CHANGES IN THE GROUP'S ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policies and disclosures (Continued)

IFRS 9 Financial Instruments (Continued)

(a) Classification and measurement (Continued)

The impact on these changes on the Group's equity is as follows:

Financial assets	Effect on other reserves	Effect on retained earnings attributable to owners of the company
Opening balance as at 31 December 2017		
– IAS 39	(98,191)	16,949,803
Re-measurement for unlisted equity investments	–	371,956
Impact on deferred tax	–	(36,478)
Impact on non-controlling interests	–	(44,370)
Re-measurement for bonds investment	806	(806)
Opening balance 1 January 2018 – IFRS 9	(97,385)	17,240,105

The accounting for derivatives and financial liabilities under IFRS 9 remains largely the same as it was under IAS 39. Under IFRS 9, embedded derivatives are no longer separated from a host financial asset. Instead, financial assets are classified based on their contractual terms and the Group's business model. The accounting for derivatives embedded in financial liabilities and non-financial host contract has not changed from that required by IAS 39.

Notes to Financial Information

For The Six Months Ended 30 June 2018

2. BASIS OF PREPARATION AND CHANGES IN THE GROUP'S ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policies and disclosures (Continued)

IFRS 9 Financial Instruments (Continued)

(b) Impairment

The adoption of IFRS 9 has fundamentally changed the Group's accounting for impairment losses for financial assets by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss ("**ECL**") approach.

IFRS 9 requires the Group to record an allowance for ECLs for all loans and other debt financial assets not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

For trade receivables, the Group has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For financial assets included in prepayments, deposits and other receivables and factoring receivables, the ECL is based on the 12-month ECL. The 12-month ECL is the portion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

The adoption of the new approach did not result in any impact on the amounts reported in the opening balance sheet as at 1 January 2018 and the financial information during the six months ended 30 June 2018.

Notes to Financial Information

For The Six Months Ended 30 June 2018

2. BASIS OF PREPARATION AND CHANGES IN THE GROUP'S ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policies and disclosures (Continued)

IFRS 9 Financial Instruments (Continued)

(c) Hedge accounting

The Group applied hedge accounting prospectively. At the date of the initial application, all of the Group's existing hedging relationships were eligible to be treated as continuing hedging relationships. Consistent with prior periods, the Group has continued to designate the change in fair value of provisional price arrangement in the Group's fair value hedge relationships and, as such, the adoption of the hedge accounting requirements of IFRS 9 had no significant impact on the Group's financial statements.

3. BUSINESS COMBINATION

Acquisition of Jiangtong Shenghua

On 30 June 2018, the Group acquired 51% of Jiangtong Shenghua (Shanghai) Cable Co., Ltd. ("**Jiangtong Shenghua**"), an unlisted company that specialises in the manufacture of cable. The consideration of RMB71,153,000 was satisfied by the Group's trade receivable due from the seller. The acquisition has been accounted for using the acquisition method.

The fair values of the identifiable assets and liabilities of Jiangtong Shenghua as at the date of acquisition were:

	30 June 2018 Fair value RMB'000
Assets	
Property, plant and equipment	89,267
Intangible assets	75,962
Liabilities	
Trade payables	(4,288)
Other payables	(21,425)
Net assets	139,516
Non-controlling interests	68,363
Share of net assets acquired	71,153
Satisfied by:	
Trade receivables held by the Group	71,153

Notes to Financial Information

For The Six Months Ended 30 June 2018

4. OPERATING SEGMENT INFORMATION

For management purpose, the Group has one reportable operating segment: production and sale of copper and other related products. Management monitors the operating results of its business units as a whole for the purpose of making decisions about resource allocation and performance assessment.

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

	Six months ended 30 June	
	2018	2017
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Sales of goods		
– Copper cathodes	58,964,896	59,559,595
– Copper rods	24,007,113	20,249,663
– Copper processing products	2,244,481	2,501,660
– Gold	3,540,926	3,337,091
– Silver	1,012,119	1,672,253
– Sulphuric and sulphuric concentrate	594,141	392,646
– Copper concentrate, rare and other non-ferrous metals	12,014,843	8,846,789
– Others	2,126,911	1,726,111
	104,505,430	98,285,808
Less: sales related taxes	(479,642)	(526,258)
	104,025,788	97,759,550

Notes to Financial Information

For The Six Months Ended 30 June 2018

4. OPERATING SEGMENT INFORMATION (CONTINUED)

Geographical information

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

	Six months ended 30 June	
	2018 RMB'000 (Unaudited)	2017 RMB'000 (Unaudited)
Revenue		
– Mainland China	93,981,980	80,513,399
– Hong Kong	3,966,880	8,206,493
– Others	6,556,570	9,565,916
	104,505,430	98,285,808
Less: sales related taxes	(479,642)	(526,258)
	104,025,788	97,759,550

All non-current assets of the Group (excluding deferred tax assets and financial instruments) are located in the PRC except for certain investments in Hong Kong, USA, Singapore, Afghanistan, Algeria, Peru and Japan.

Information about major customers

During the months ended 30 June 2018, there is no revenue from customers contributing over 10% of the total revenue of the Group (30 June 2017: nil). The revenue from the largest customer amounted to approximately RMB3,390,896,000 (30 June 2017: RMB3,298,112,000), representing 3.26% (30 June 2017: 3.37%) of the total revenue of the Group.

Timing of revenue recognition

Substantially all revenue is recognised at a point of time when control of the asset is transferred to the customer, generally on delivery of the assets. The Group has insignificant service revenue which is recognised over time when the customer concurrently receives and consumes the benefits as the Group performs.

Notes to Financial Information

For The Six Months Ended 30 June 2018

5. REVENUE AND OTHER INCOME

Operating revenue by nature is as follows:

	Six months ended 30 June	
	2018 <i>RMB'000</i> (Unaudited)	2017 <i>RMB'000</i> (Unaudited)
Trading revenue (i)	55,217,229	64,043,436
Other non-trading revenue	48,952,416	33,841,411
Other revenue	335,785	400,961
	104,505,430	98,285,808
Less: sales related taxes	(479,642)	(526,258)
	104,025,788	97,759,550

(i) Trading revenue represents revenue generated from trade of copper cathodes, copper rods and other products purchased from external parties and sale to external parties, excluding those produced by the Group.

Other income is as follows:

	Six months ended 30 June	
	2018 <i>RMB'000</i> (Unaudited)	2017 <i>RMB'000</i> (Unaudited)
Interest income	276,997	268,907
Dividend income from an equity investment	13,500	13,500
Government grants recognised	24,724	21,791
Income from value-added tax refund	20,455	15,683
Compensation income and others	11,266	103
	346,942	319,984

Notes to Financial Information

For The Six Months Ended 30 June 2018

6. OTHER GAINS AND LOSSES

	Six months ended 30 June	
	2018 <i>RMB'000</i> (Unaudited)	2017 <i>RMB'000</i> (Unaudited)
Fair value gains/(losses) from commodity derivative contracts:		
Transactions not designated as hedge instruments:		
– Unrealised gains of the outstanding contracts	304,743	78,545
– Realised gains from the settled contracts	277,585	18,518
Transactions designated as hedge instruments:		
– Hedged items – inventories	–	(90)
– Hedging instruments for inventories	1,599	511
– Ineffective portion of cash flow hedges	4,094	(9,655)
Fair value (losses)/gains from foreign currency forward contracts and interest rate swaps	(99,823)	48,432
Realised gains/(losses) from foreign currency forward contracts, currency swap and interest rate swaps	162,376	(3,415)
Gains on investments:		
– Gain on disposal of equity instruments	5,559	7,744
– Gain on disposal of debt instruments	110,940	121,196
– Fair value gains/(losses) from debt instruments	2,986	(8,595)
– Fair value gains/(losses) from equity instruments	93,046	(220)
Impairment losses provided for:		
– Impairment loss on trade and other receivables	(560,573)	(613,185)
– Impairment loss on loans to fellow subsidiaries	20,984	(3,275)
– Impairment loss on unlisted equity investments	–	(7,350)
– Impairment loss on assets classified as held for sale	(130,000)	–
Gain on disposal of property, plant and equipment	2,995	9,666
Foreign exchange (losses)/gains, net	(118,293)	(48,990)
Others	1,527	(1,456)
	79,745	(411,619)

Notes to Financial Information

For The Six Months Ended 30 June 2018

7. PROFIT FOR THE PERIOD

	Six months ended 30 June	
	2018 <i>RMB'000</i> (Unaudited)	2017 <i>RMB'000</i> (Unaudited)
Profit for the period has been arrived at after charging/(crediting):		
Depreciation of property, plant and equipment	815,671	819,717
Depreciation of investment properties	5,678	6,554
Amortisation of prepaid lease payments	15,038	14,092
Amortisation of intangible assets	24,196	24,004
Provision/(reversal) of allowance for inventories	147,854	(56,289)

8. INCOME TAX EXPENSES

The major components of income tax expenses of the Group during the period are as follows:

	Six months ended 30 June	
	2018 <i>RMB'000</i> (Unaudited)	2017 <i>RMB'000</i> (Unaudited)
Current income tax	423,656	548,666
Deferred tax	8,429	149,895
Total tax charge for the period	432,085	698,561

Hong Kong profits tax on five of the Group's subsidiaries has been provided at the rate of 16.5% (2017: 16.5%) on the estimated assessable profits arising in Hong Kong during the six months ended 30 June 2018.

The provision for PRC current income tax is based on a statutory rate of 25% (2017: 25%) of the assessable profits of the Group as determined in accordance with the relevant income tax rules and regulations of the PRC Corporate Income Tax Law, except for the following:

Pursuant to the "Notice of Recognition of the 2017 First Batch of New and High Technology Enterprises in Jiangxi Provinces" (Gan Gao Qi Ren Fa [2017] No. 10) dated 17 November 2017, jointly issued by the Science and Technology Department of Jiangxi Province, Finance Department of Jiangxi Province, State Tax Bureau of Jiangxi Province and Provincial Tax Bureau of Jiangxi Province, the Company has passed the examination for new and high technology enterprises, the certificate number is GR201736000335. According to the provisions of Article 28 "Enterprise Income Tax Law of the People's Republic of China", the applicable income tax rate of the Company during 1 January 2017 to 31 December 2019 is 15%.

Notes to Financial Information

For The Six Months Ended 30 June 2018

9. DIVIDENDS

	Six months ended 30 June	
	2018 <i>RMB'000</i> (Unaudited)	2017 <i>RMB'000</i> (Unaudited)
Dividends of ordinary shares declared and distributed during the six months:		
Final dividend of RMB0.20 per share for 2017 (six months ended 30 June 2017: final dividend of RMB0.15 per share for 2016)	692,546	519,409

On 12 June 2018, a dividend of RMB0.20 per share (tax inclusive) on 3,462,729,405 shares, in aggregate approximately RMB692,546,000 was declared to the shareholders as the final dividend for year 2017.

10. EARNINGS PER SHARE

The calculation of basic earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares in issue during the period. Diluted earnings per share presented is the same as basic earnings per share because there is no outstanding potential dilutive ordinary shares as at 30 June 2018 and 2017 and during the periods.

The calculations of basic earnings per share amounts are based on:

	Six months ended 30 June	
	2018 <i>RMB'000</i> (Unaudited)	2017 <i>RMB'000</i> (Unaudited)
Profit attributable to ordinary equity holders of the Company	1,327,146	973,559
Weighted average number of ordinary shares in issue (<i>'000</i>)	3,462,729	3,462,729
Basis and diluted (<i>RMB</i>)	0.38	0.28

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For The Six Months Ended 30 June 2018

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2018, the Group acquired items of property, plant and equipment with a cost of RMB696,652,000 (six months ended 30 June 2017: RMB1,310,560,000), except for acquisition of RMB89,267,000 from business combination as set out in note 3. Depreciation for items of property, plant and equipment is RMB815,671,000 (six months ended 30 June 2017: RMB819,717,000) during the period.

Property, plant and equipment with a net book value of RMB77,478,000 (six months ended 30 June 2017: RMB14,631,000) was disposed of by the Group during the six months ended 30 June 2018, resulting in a net profit on disposal of RMB2,995,000 (a net profit in six months ended 30 June 2017: RMB9,666,000).

Property, plant and equipment with a net book value of RMB174,871,000 (six months ended 30 June 2017: Nil) was transferred to assets classified as held for sale.

As at 30 June 2018, certain of property, plant and equipment of the Group with a net book value amounting to RMB528,557,000 (31 December 2017: RMB436,609,000) were pledged to secure bank borrowings as set out in note 17.

For the six months ended 30 June 2018, certain of property, plant and equipment of the Group with a net book value amounting to RMB85,243,000 (six months ended 30 June 2017: Nil) were sold to related parties as set out in note 19.

12. DERIVATIVE FINANCIAL INSTRUMENTS

	At 30 June 2018		At 31 December 2017	
	Assets RMB'000	Liabilities RMB'000	Assets RMB'000	Liabilities RMB'000
Assets/(liabilities)				
Commodity derivative contracts	108,857	(126,574)	99,410	(433,992)
Provisional price arrangements	159,932	–	–	(193,352)
Foreign currency forward contracts, interest rate swaps and currency swaps	9,602	(114,464)	92,360	(96,804)
	278,391	(241,038)	191,770	(724,148)

Notes to Financial Information

For The Six Months Ended 30 June 2018

12. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

	30 June 2018 RMB'000 (Unaudited)	31 December 2017 RMB'000 (Audited)
Including:		
Derivatives designated as hedging instruments (a):		
Cash flow hedges		
– Commodity derivative contracts	–	(4,094)
Fair value hedges		
– Commodity derivative contracts	–	(15,476)
– Provisional price arrangement	150,548	(179,058)
	150,548	(198,628)
Derivatives not designated as hedging instruments (b):		
– Commodity derivative contracts	(17,717)	(315,013)
– Provisional price arrangement	9,384	(14,294)
– Foreign currency forward contracts, interest rate swaps and currency swaps	(104,862)	(4,443)
	(113,195)	(333,750)
	37,353	(532,378)

Notes to Financial Information

For The Six Months Ended 30 June 2018

12. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

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 Shanghai Futures Exchange (“SHFE”) and London Metal Exchange (“LME”).

(a) Derivatives designated as hedging instruments:

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. For the six months ended 30 June 2018, no commodity derivative contracts were designated as hedging instruments of cash flow hedge. As at 31 December 2017, the expected delivery period of the forecasted sales for copper related products was from January to March 2018.

– 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. For the six months ended 30 June 2018, no commodity derivative contracts were designated as hedging instruments of fair value hedge.

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.

Notes to Financial Information

For The Six Months Ended 30 June 2018

12. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

(b) Derivatives not designated as hedging instruments:

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, and copper related products. 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.

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

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

Notes to Financial Information

For The Six Months Ended 30 June 2018

13. FINANCIAL ASSETS OTHER THAN DERIVATIVE FINANCIAL INSTRUMENTS

	At 30 June 2018 Presented under IFRS 9		At 31 December 2017 Presented under IAS 39	
	Categories	Carrying Amount RMB'000	Categories	Carrying Amount RMB'000
Debt instruments (including hybrid contracts):				
Listed debentures (a)	FVPL	155,860	Held-for-trading	152,874
Investments in financial products (b)	FVPL	2,564,016	AFS	2,856,762
			Other investments	70,375
		2,564,016		2,927,137
Bonds investment (c)	FVOCI	58,181	AFS	54,664
Equity instruments:				
Listed equity securities in the PRC (d)	FVPL	40,104	Held-for-trading	56,861
Listed equity securities in the HKEX (d)	FVPL	755,418		–
Unlisted equity investments in the PRC (e)	FVPL	576,787	AFS	910,564
Income right attached to a target equity interest (f)	FVPL	564,910	AFS	514,670
		4,715,276		4,616,770
Under IFRS 9:				
FVPL		4,657,095		–
FVOCI		58,181		–
		4,715,276		–
Under IAS 39:				
Held-for-trading		–		209,735
AFS		–		4,336,660
Other investments		–		70,375
		–		4,616,770
Non-current assets		1,955,296		1,665,484
Current assets		2,759,980		2,951,286
		4,715,276		4,616,770

Notes to Financial Information

For The Six Months Ended 30 June 2018

13. FINANCIAL ASSETS OTHER THAN DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

- (a) The listed debentures are with variable interest rate ranging from 0.5% to 6% (2017: 0.5% to 6%) per annum and maturity date not more than two years from the end of the reporting period.
- (b) The amount represents investments in financial products arranged by bank, trust institution and independent securities companies with high credit-rating and good reputation. The financial products held by the Group generate annual target return rate ranged from 4.10% to 8.00% (31 December 2017: 4.20% to 8.00%) per annum. The investments have maturity date from 10 July 2018 to 19 May 2019 (31 December 2017: 21 January 2018 to 15 January 2019) and were unsecured.

	30 June 2018 RMB'000 (Unaudited)	31 December 2017 RMB'000 (Audited)
Including:		
Bank financial products	1,251,997	798,815
Trust products	210,800	1,000,000
Financial plan products	1,101,219	1,128,322
	2,564,016	2,927,137

- (c) As at 30 June 2018, the bonds investment held by the Group generate annual target return rate ranged from 7.17% to 7.50% (31 December 2017: 7.17% to 7.50%), which will due from 22 October 2019 to 31 October 2019 (2017: 22 October 2019 to 31 October 2019).
- (d) The listed equity securities represent stocks listed in PRC and HKEX.
- (e) 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 and the Group did not have significant influence on these invested entities.

For the six months ended 30 June 2018, one of the unlisted equity investments held by the Group were successfully listed on the HKEX. Accordingly, the investment was presented as listed equity securities as at 30 June 2018.

- (f) The investments represent beneficial right attached to the 2.65% equity interest in a limited liability company established in the PRC held by China Cinda ("**Beneficial Right**"), including the right to all the incomes derived from this equity interest. The Group obtained the Beneficial Right by transferring its entrusted accounts receivables to independent third parties including Ping An Trust Co., Ltd. ("**Ping An Trust**") and China Cinda Asset Management Co., Ltd. ("**China Cinda**") in December 2017.

Notes to Financial Information

For The Six Months Ended 30 June 2018

14. TRADE AND BILLS RECEIVABLES

	30 June 2018 RMB'000 (Unaudited)	31 December 2017 RMB'000 (Audited)
Trade receivables	12,504,830	13,391,108
Bills receivable	6,761,512	3,200,367
	19,266,342	16,591,475
Less: impairment allowance	(4,314,745)	(3,786,855)
	14,951,597	12,804,620

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 minimize credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

Included in the Group's trade receivables are amounts due from the Group's associates and related parties, as detailed in note 19 (f), which are repayable on similar credit terms to those offered to the major customers of the Group.

As at 30 June 2018, certain of the Group's bills receivables of RMB2,200,819,000 (31 December 2017: RMB41,875,000), and letters of credit of RMB1,256,176,000 (31 December 2017: RMB1,149,248,000) were pledged to secure short-term bank borrowings.

Notes to Financial Information

For The Six Months Ended 30 June 2018

14. TRADE AND BILLS RECEIVABLES (CONTINUED)

The aging analysis of trade receivables, net of impairment allowance, is presented based on the goods delivery dates at the end of the reporting period as follows:

	30 June 2018 RMB'000 (Unaudited)	31 December 2017 RMB'000 (Audited)
Within 1 year	4,973,340	7,345,983
1–2 years	1,842,661	1,422,652
2–3 years	844,594	613,269
Over 3 years	529,490	222,349
	8,190,085	9,604,253

The term of bills receivable are all less than 12 months. As at 30 June 2018, the bills receivable were neither past due nor impaired (31 December 2017: Nil).

Movement in the impairment allowance:

	Six months ended 30 June 2018 RMB'000 (Unaudited)	2017 RMB'000 (Unaudited)
Balance at 1 January	3,786,855	2,252,822
Impairment losses recognised	528,982	638,374
Impairment losses reversed	(650)	(26,606)
Amounts written off as uncollectible	(442)	(1,753)
Balance at end of the period	4,314,745	2,862,837

Notes to Financial Information

For The Six Months Ended 30 June 2018

15. CASH, CASH EQUIVALENTS AND PLEDGED DEPOSITS

	30 June 2018 RMB'000 (Unaudited)	31 December 2017 RMB'000 (Audited)
Cash and bank balances	18,029,056	16,044,137
Time deposits	4,268,475	2,958,901
	22,297,531	19,003,038
Less: Pledged deposits (i)	(8,615,456)	(8,639,835)
Cash and cash equivalents	13,682,075	10,363,203

(i) As at 30 June 2018, the pledged deposits include:

- Deposits amounting to RMB2,043,466,000 (31 December 2017: RMB2,211,947,000) was pledged to secure bank borrowings;
- Deposit amounting to RMB897,297,000 (31 December 2017: RMB741,163,000) was pledged for issuing of letters of guarantee;
- Deposit amounting to RMB7,185,000 (31 December 2017: RMB5,790,000) was pledged for issuing of letters of credit;
- Deposit amounting to RMB4,674,028,000 (31 December 2017: RMB4,791,958,000) was pledged for issuing bank accepted notes;
- Deposit amounting to RMB20,525,000 (31 December 2017: RMB27,780,000) was pledged to secure the transaction of gold lease from banks;
- Deposits amounting to RMB29,411,000 (31 December 2017: RMB32,315,000) which was placed as environmental recovery deposit whose usage is restricted; and
- Required mandatory reserve deposits and other restricted deposits amounting to RMB943,544,000 (31 December 2017: RMB828,880,000) was placed by JCC Finance Company Limited, a subsidiary of the Group, in the People's Bank of China ("PBC"). Such mandatory reserve deposits and other restricted deposits are not available for use in the Group's daily operations.

Notes to Financial Information

For The Six Months Ended 30 June 2018

16. TRADE AND BILLS PAYABLES

	30 June 2018 RMB'000 (Unaudited)	31 December 2017 RMB'000 (Audited)
Trade payables	6,760,054	6,847,564
Bills payables	1,298,122	1,033,844
	8,058,176	7,881,408

The trade payables are non-interest-bearing and are normally settled on terms of 60 days.

As at 30 June 2018, the Group has no material balance of accounts payable aged over one year.

Trade payables due to related parties included in trade and bills payables are disclosed in note 19 (f).

17. INTEREST-BEARING BANK BORROWINGS

	30 June 2018 RMB'000 (Unaudited)	31 December 2017 RMB'000 (Audited)
Bank borrowings – secured	6,301,910	3,936,313
Bank borrowings – unsecured	24,131,176	24,572,663
	30,433,086	28,508,976
Carrying amount repayable:		
On demand or within one year	27,124,336	28,500,226
More than one year, but not exceeding two years	3,051,750	1,750
More than two years, but not exceeding five years	251,750	1,750
More than five years	5,250	5,250
	30,433,086	28,508,976
Less: Amount due after one year shown under non-current liabilities	3,308,750	8,750
Amount due within one year shown under current liabilities	27,124,336	28,500,226

For the six months ended 30 June 2018, the bank borrowings carry interest at rates ranging from 0.60% to 5.52% (2017: 0.32% to 4.04%) per annum.

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For The Six Months Ended 30 June 2018

17. INTEREST-BEARING BANK BORROWINGS (CONTINUED)

Certain of the Group's bank loans are secured by:

- i. Mortgaged borrowings amounting to RMB4,532,372,000 (31 December 2017: RMB3,704,713,000) were secured by deposits with carrying value of RMB2,043,466,000 (31 December 2017: RMB2,211,947,000), discounted unmatured bank accepted bills with carrying value of RMB2,200,819,000 (31 December 2017: RMB41,875,000), letters of credit with carrying value of RMB1,256,176,000 (31 December 2017: RMB1,149,248,000), and loan investments with carrying value of RMB Nil (31 December 2017: RMB278,440,000);
- ii. Pledged borrowing amounting to RMB456,485,000 (31 December 2017: RMB111,800,000) was secured by inventories with carrying value of RMB263,883,000 (31 December 2017: RMB144,446,000), machineries with carrying value of RMB528,557,000 (31 December 2017: RMB436,609,000) the land lease right with carrying value of RMB Nil (31 December 2017: RMB78,252,000).
- iii. Granted borrowing amounting to RMB1,313,053,000 (31 December 2017: RMB Nil) was provided joint guarantee by the non-controlling interests of the Group's affiliates.

The directors estimate that the carrying amounts of the Group's current and non-current borrowings approximate to their fair values.

18. CORPORATE BONDS

Pursuant to the approval of the China Securities Regulatory Commission (No. [2016] 2745), the Company issued 5,000,000 certificates of bonds at par with a nominal value of RMB100 each, in an aggregate amount of RMB500,000,000 on 20 September 2017. The bonds have a life of five years from the date of issuance and bear interest at a rate of 4.74% per annum which is payable in arrears on 21 September of each year, and with principal repaid on maturity.

The Company has an option to adjust the interest rate and the investors are entitled to request the Company to repurchase the Corporate Bonds after the end of the third year from the date of the issuance. The Corporate Bonds are listed on the Shanghai Stock Exchange. The options of the Corporate Bonds entitled to the Company and the investors are regarded as embedded derivatives closely related to the host contract.

Notes to Financial Information

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19. RELATED PARTY TRANSACTIONS

In addition to the transactions detailed elsewhere in these financial information, the Group had transactions with: (i) JCC and its affiliates, (ii) Zhaojue Fengye Smelting Company Limited (“**Fengye**”), which is the associate of the Company; (iii) Jiangxi JCC-BIOTEQ Environmental Technologies Co., Ltd. (“**Jiang Tong Bioteq**”), which is the jointly controlled entity of the Company, and (iv) China Ordins Group Co., Ltd. (“**ORDINS**”) and Shanghai Fuye Copper Industry Co., Ltd. (“**Shanghai Fuye**”), which are the Group’s non-controlling interests holder and its subsidiary. The details is summarized below:

a) Related party transactions with JCC and its affiliates

	Six months ended 30 June	
	2018 RMB'000 (Unaudited)	2017 RMB'000 (Unaudited)
Sales to JCC:		
Sales of auxiliary industrial products	3,001	98
Sales to JCC's affiliates:		
Sales of copper rods	353,277	303,428
Sales of copper cathodes	232,060	255,563
Sales of auxiliary industrial products	108,802	26,017
Sales of lead concentrate	13,063	31,505
Sales of auxiliary material	6,034	–
Sales of sulfuric and sulfuric concentrate	755	965
Sales of zinc concentrate	–	37,847
	713,991	655,325
Purchases from JCC's affiliates:		
Purchases of auxiliary industrial products	64,904	13,731
Purchases of copper concentrate	25,557	24,742
Purchases of sulfuric and sulfuric concentrate	6,220	7,357
Purchase of co-products	–	6,299
	96,681	52,129

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For The Six Months Ended 30 June 2018

19. RELATED PARTY TRANSACTIONS (CONTINUED)

a) Related party transactions with JCC and its affiliates (Continued)

	Six months ended 30 June	
	2018 <i>RMB'000</i> (Unaudited)	2017 <i>RMB'000</i> (Unaudited)
Service fees charged to JCC:		
Construction services	4,031	1,128
Supply of electricity	1,494	1,257
Supply of water	139	133
Vehicle transportation services	15	443
Other management income	735	215
	6,414	3,176
Service fees charged to JCC's affiliates:		
Construction services	81,418	72,986
Vehicle transportation services	7,077	5,961
Repair and maintenance services	1,776	2,765
Supply of electricity	1,703	13,121
Rentals for public facilities and other services	1,590	2,761
Supply of water	111	62
Other management income	962	591
	94,637	98,247

Notes to Financial Information

For The Six Months Ended 30 June 2018

19. RELATED PARTY TRANSACTIONS (CONTINUED)

a) Related party transactions with JCC and its affiliates (Continued)

	Six months ended 30 June	
	2018 RMB'000 (Unaudited)	2017 RMB'000 (Unaudited)
Service fees charged by JCC:		
Land lease expense	78,502	78,001
Labour service	1,500	160
Welfare and health care services	1,127	2,860
	81,129	81,021
Service fees charged by JCC's affiliates:		
Repair and maintenance services	17,001	12,520
Labour service	16,893	69,048
Brokerage agency services for commodity derivative contracts	6,904	4,297
Construction services	1,790	275
	42,588	86,140
Loans provided to JCC's affiliates:	811,000	608,000
Financial services received by JCC's affiliates:		
Interest received from loan provided	27,826	15,844
Financial services received from JCC's affiliates:		
Interest paid for deposits made	4,278	8,589
Financial services received from JCC:		
Interest paid for deposits made	5,840	2,644
Fixed assets transferred to JCC and its affiliates:	85,243	–

Notes to Financial Information

For The Six Months Ended 30 June 2018

19. RELATED PARTY TRANSACTIONS (CONTINUED)

a) Related party transactions with JCC and its affiliates: (Continued)

The sales to and purchases from related parties are negotiated and agreed by both parties with reference to market prices.

The daily credit balance offered by the Finance Company, a subsidiary of the Group, to JCC and its affiliates will neither exceed the deposits from JCC and its affiliates nor exceed the total amount of credit facilities regulated by the financial service agreement entered by the two parties.

b) Related party transactions with the Company's associates:

	Six months ended 30 June	
	2018 RMB'000 (Unaudited)	2017 RMB'000 (Unaudited)
Sales to Fengye:		
Sales of auxiliary industrial products	–	321

c) Related party transactions with the Company's jointly controlled entity:

	Six months ended 30 June	
	2018 RMB'000 (Unaudited)	2017 RMB'000 (Unaudited)
Sales to Jiang Tong Bioteq:		
Sales of auxiliary industrial products	7,348	3,005
Purchases from Jiang Tong Bioteq:		
Purchases of copper concentrate	27,604	25,594
Service fees charged to Jiang Tong Bioteq:		
Power services	645	–
Other management fee	267	–
Construction services	–	268
	912	268

Notes to Financial Information

For The Six Months Ended 30 June 2018

19. RELATED PARTY TRANSACTIONS (CONTINUED)

d) Related party transactions with the Group's non-controlling interests holder and its subsidiaries:

	Six months ended 30 June	
	2018 RMB'000 (Unaudited)	2017 RMB'000 (Unaudited)
Sales to a related parties:		
Sales of copper cathodes	870,298	1,705,989
Sales of auxiliary industrial products	711,293	–
Sales of copper concentrates	268,634	–
Sales of copper rods	–	787,089
	1,850,225	2,493,078
Purchases from a related parties:		
Purchases of copper cathodes	266,466	1,290,505
Purchases of blister copper	69,524	975,926
Purchases of copper concentrate	78,150	128,469
Purchases of auxiliary industrial products	7,572	–
Purchases of rare and other non-ferrous metals	–	14,405
	421,712	2,409,305

e) Compensation of key management personnel of the Group

The remuneration of key management during the period was as follows:

	Six months ended 30 June	
	2018 RMB'000 (Unaudited)	2017 RMB'000 (Unaudited)
Short-term employees benefits	4,247	4,218
Post-employment benefits	257	257
Performance related bonus	50	50
	4,554	4,525

Notes to Financial Information

For The Six Months Ended 30 June 2018

19. RELATED PARTY TRANSACTIONS (CONTINUED)

f) Outstanding balances with related parties

At the end of the reporting period, the Group have the following balances with related parties:

	30 June 2018 RMB'000 (Unaudited)	31 December 2017 RMB'000 (Audited)
Trade and bills receivables:		
JCC	2,389	1,360
JCC's affiliates	659,427	640,364
Jiang Tong Bioteq	335	2,515
Fengye	–	711
	662,151	644,950
Prepayments and other receivables:		
JCC	4,189	74
JCC's affiliates	781,802	1,028,549
Jiang Tong Bioteq	1,233	105
Non-controlling interests holder and its subsidiary	69,981	2,065
	857,205	1,030,793
Loans to – short term loans:		
JCC's affiliates	1,163,328	1,014,165
Trade and bills payable:		
JCC	209	2,137
JCC's affiliates	54,833	64,749
Non-controlling interests holder and its subsidiary	503,217	412,232
	558,259	479,118

Notes to Financial Information

For The Six Months Ended 30 June 2018

19. RELATED PARTY TRANSACTIONS (CONTINUED)

f) Outstanding balances with related parties (Continued)

	30 June 2018 RMB'000 (Unaudited)	31 December 2017 RMB'000 (Audited)
Other payables and accruals:		
JCC	197,958	332,046
JCC's affiliates	27,674	34,684
	225,632	366,730
Contract liabilities:		
JCC's affiliates	11,188	1,573
Non-controlling interests holder and its subsidiary	309,056	383,058
	320,244	384,631
Deposits from customers:		
JCC	1,280,608	1,685,966
JCC's affiliates	701,216	1,416,754
	1,981,824	3,102,720
Other long term payable:		
JCC	9,479	10,104

The above balances arose from the aforementioned transactions, deposits and advances to/from related parties and payments made by the Group and related parties on behalf of each other. These balances were unsecured, interest-free and had no fixed repayment terms except for loans, deposits from customers, and other long term payable, the terms of which have not changed from that disclosed in last year's annual financial information.

The related party transactions except for transactions with associates and a jointly controlled entity above constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

Notes to Financial Information

For The Six Months Ended 30 June 2018

20. NOTES TO THE STATEMENT OF CASH FLOWS

Major non-cash transactions

Acquisition of Jiangtong Shenghua

On 30 June 2018, the Group acquired 51% of Jiangtong Shenghua, an unlisted company that specialises in the manufacture of cable. The consideration is RMB71,153,000 which is satisfied by the Group's trade receivable due from the seller. Details of the transaction are included in note 3 to the financial statements.

21. OPERATING LEASE ARRANGEMENTS

At the balance sheet date, the Group had outstanding commitments under non-cancellable operating leases, which fall due as follows:

	30 June 2018 RMB'000 (Unaudited)	31 December 2017 RMB'000 (Audited)
Within one year	169,310	165,697
In the second to fifth years, inclusive	249,294	330,796
	418,604	496,493

22. COMMITMENTS

At the balance sheet date, the Group had the following capital commitments:

	30 June 2018 RMB'000 (Unaudited)	31 December 2017 RMB'000 (Audited)
Contracted, but not provided for		
Acquisition of property, plant and equipment and exploration and evaluation rights	1,465,887	1,084,877
Investments in associates (<i>i. ii</i>)	1,929,538	1,855,883
	3,395,425	2,940,760

Notes to Financial Information

For The Six Months Ended 30 June 2018

22. COMMITMENTS (CONTINUED)

- (i) The Company and China Metallurgical Group Corporation ("**CMCC**") incorporated MCC-JCL Aynak Minerals Company Limited ("**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 MCC-JCL was 25% and 75% respectively. The principal business of MCC-JCL is to explore and exploit 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 capital injection 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.

- (ii) Jiangxi Copper (Hong Kong) Investment Company Limited, a wholly-owned subsidiary of the Group, and CCB International Asset Management Limited ("**CCB**") established Valuestone Global Resources Fund I ("**Fund I**"), in August 2016. Fund I was registered in Cayman Islands. Prior to the introduction of other independent investors, the initial proportion of voting power held by the Group in Fund I is 40%. The principal business of Fund I is to invest in natural resources.

Fund I shall initially raise USD150,000,000 of which the Group has undertaken to contribute USD100,000,000. The Group shall not be obliged to provide guarantees, indemnities or capital commitments for the project loan financing.

Notes to Financial Information

For The Six Months Ended 30 June 2018

23. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Set out below, is a comparison of the carrying amounts and fair values of financial assets and financial liabilities, other than those with carrying amounts that reasonably approximate to fair values, as at 30 June 2018 and 31 December 2017:

	30 June 2018		31 December 2017	
	Carrying amount <i>RMB'000</i> (Unaudited)	Fair value <i>RMB'000</i> (Unaudited)	Carrying amount <i>RMB'000</i> (Audited)	Fair value <i>RMB'000</i> (Audited)
Financial assets				
Financial assets other than derivative financial instruments (non-current)	1,955,296	1,955,296	–	–
Financial assets other than derivative financial instruments (current)	2,759,980	2,759,980	209,735	209,735
Derivative financial instruments	278,391	278,391	191,770	191,770
Financial liabilities				
Derivative financial instruments	241,038	241,038	724,148	724,148

Management has assessed that the fair values of cash and cash equivalents, restricted cash, trade receivable, trade payables, financial assets included in prepayments, deposits and other receivables, loans to fellow subsidiaries, financial liabilities included in other payables and accruals, interest-bearing bank and deposits from holding company and fellow subsidiaries approximate to their carrying amounts largely due to the short term maturities of these instruments.

Notes to Financial Information

For The Six Months Ended 30 June 2018

23. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

The fair values of the non-current portion of deposits, interest-bearing bank borrowings, corporate bonds and other long-term payables have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The fair values have been assessed to be approximate to their carrying amounts. The Group's own non-performance risk for interest-bearing bank borrowings and corporate bonds as at 30 June 2018 was assessed to be insignificant.

The Group's management is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At each reporting date, the management analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by management. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Notes to Financial Information

For The Six Months Ended 30 June 2018

23. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's financial assets and financial liabilities as at 30 June 2018:

	Fair value measurement using			Total RMB'000 (Unaudited)
	Quoted prices in active markets (Level 1) RMB'000 (Unaudited)	Significant observable inputs (Level 2) RMB'000 (Unaudited)	Significant unobservable inputs (Level 3) RMB'000 (Unaudited)	
Financial assets				
Listed debentures	155,860	–	–	155,860
Listed equity securities	795,522	–	–	795,522
Investments in financial products	–	–	2,564,016	2,564,016
Bonds investments	–	58,181	–	58,181
Unlisted equity investments	–	576,787	–	576,787
Income right attached to a target equity interest	–	564,910	–	564,910
Derivative financial instruments				
– Commodity derivative contracts	108,857	–	–	108,857
– Provisional price arrangements	–	159,932	–	159,932
– Foreign currency forward contracts and interest rate swaps	–	9,602	–	9,602
Financial liabilities				
Derivative financial instruments				
– Commodity derivative contracts	126,574	–	–	126,574
– Foreign currency forward contracts and interest rate swaps	–	114,464	–	114,464

Notes to Financial Information

For The Six Months Ended 30 June 2018

23. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy (Continued)

The following methods and assumptions were used to estimate the fair values:

The fair values of listed debentures and listed equity securities are based on quoted market prices.

The fair values of investment in financial products have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The fair values have been assessed to be approximate to their carrying amounts.

The fair value of bonds investment has been estimated based on its expected cash flows discounted by quoted annual return rate of similar bonds investment. The fair values have been assessed to be approximate to their carrying amounts.

The fair values of unlisted equity investments and income right attached to a target equity interest have been estimated based on the comparable companies analysis in terms of a series key ratios. Management believes that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated statements of financial position, and the related changes in fair values, which are recorded in profit or loss, are reasonable, and that they were the most appropriate values as at 30 June 2018.

Notes to Financial Information

For The Six Months Ended 30 June 2018

23. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy (Continued)

The Group enters into derivative financial instruments with various counterparties, principally financial institutions with good credit ratings. Derivatives financial instruments includes commodity derivative contracts, provisional price arrangement, forward currency contracts and interest rate swaps:

- The fair value of the commodity derivative contracts represents the difference between the quoted market price of commodity derivative contracts at year end and the quoted price at inception of the contracts;
- The fair value of the provisional price arrangement is estimated by reference to the quoted market price at year end of commodity derivative contracts with similar maturity as the provisional price arrangement compared to the quoted market prices of commodity derivative contracts on the dates of delivery of the purchased material;
- The fair value of forward currency contracts and interest rate swaps is measured using valuation techniques similar to the discounted cash flow model and the Black-Scholes option pricing model. The models incorporate various market observable inputs including foreign exchange spot, forward rates, risk-free interest rate curves and implied volatility of the foreign exchange rate. The carrying amounts of forward currency contracts and interest rate swaps are the same as their fair values.

During the reporting period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for financial liabilities (six months ended 30 June 2017: Nil).

24. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current period's presentation, except for impacts described in Note 2.2.

25. APPROVAL OF THE INTERIM FINANCIAL INFORMATION

The interim financial information was approved and authorised for issue by the board of directors on 28 August 2018.

Documents Available for Inspection

The 2018 interim report duly signed and sealed by the legal representative of the Company

The 2018 interim report published on the Hong Kong Stock Exchange

The financial statements duly signed and sealed by the legal representative of the Company

The original copies of all documents and announcements of the Company disclosed in the newspapers designated by CSRC during the reporting period

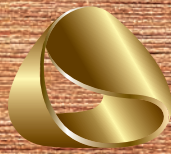
The Special Report Relating to Deposit and Actual Use of Proceeds of Jiangxi Copper Company Limited in the first half of 2018

Chairman: **Long Ziping**

Board approval date: 28 August 2018

Updated Information

Not applicable



Jiangxi Copper Company Limited