ZHAOJIN

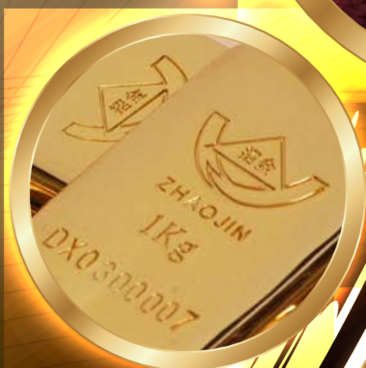
ZHAOJIN MINING INDUSTRY COMPANY LIMITED*

招 金 礦 業 股 份 有 限 公 司

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

(Stock Code: 1818)

2019 INTERIM REPORT



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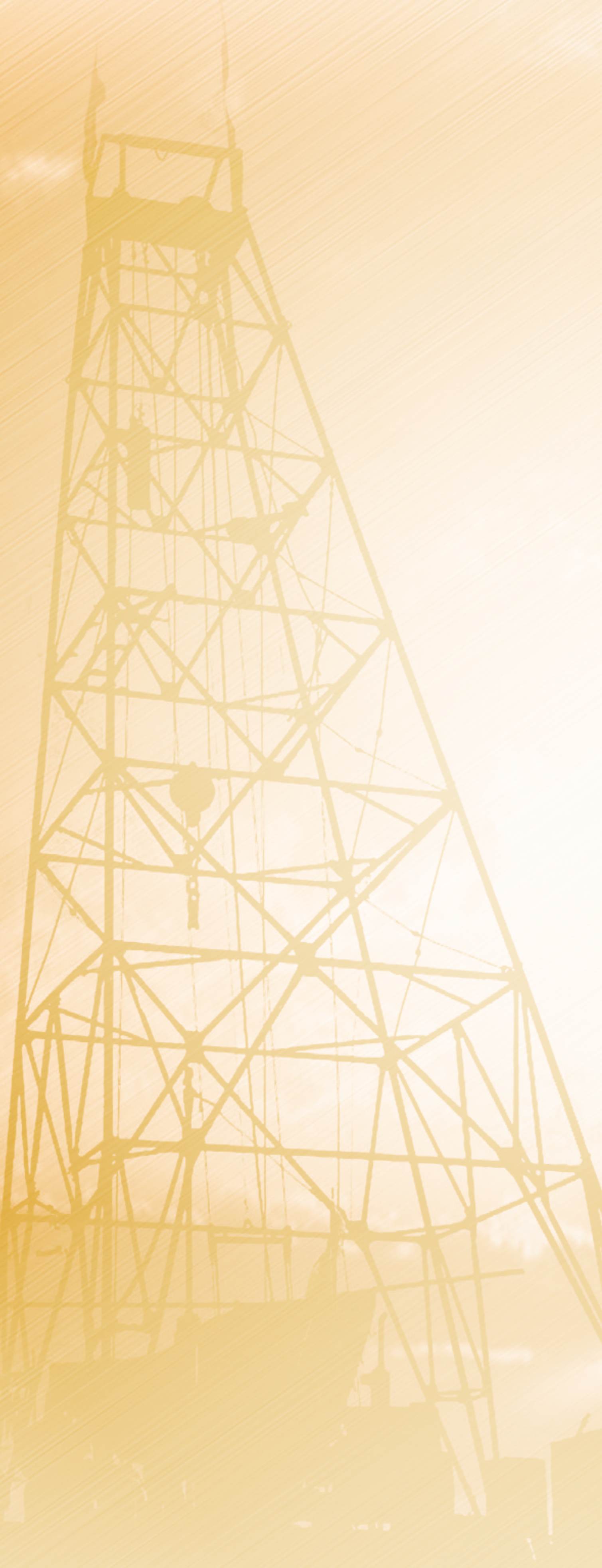

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CORPORATE INFORMATION

NAME OF THE COMPANY
招金礦業股份有限公司

ENGLISH NAME OF THE COMPANY
Zhaojin Mining Industry Company Limited*

LEGAL REPRESENTATIVE
Mr. Weng Zhanbin

EXECUTIVE DIRECTORS
Mr. Weng Zhanbin *(Chairman)*
Mr. Dong Xin *(President)*
Mr. Wang Ligang

NON-EXECUTIVE DIRECTORS
Mr. Xu Xiaoliang *(Vice Chairman)*
Mr. Liu Yongsheng
Mr. Yao Ziping
Mr. Gao Min

INDEPENDENT NON-EXECUTIVE DIRECTORS
Ms. Chen Jinrong
Mr. Choy Sze Chung Jojo
Mr. Wei Junhao
Mr. Shen Shifu

SUPERVISORY COMMITTEE MEMBERS
Mr. Li Xiuchen *(Chairman of the Supervisory Committee)* *(Retired on 26 February 2019)*
Mr. Wang Xiaojie *(Chairman of the Supervisory Committee)* *(Appointed on 26 February 2019)*
Mr. Zou Chao
Ms. Zhao Hua

SECRETARY TO THE BOARD
Mr. Wang Ligang

COMPANY SECRETARY
Ms. Ng Ka Man

QUALIFIED ACCOUNTANT
Mr. Ma Ving Lung Nelson

AUTHORIZED REPRESENTATIVES
Mr. Weng Zhanbin *(Chairman)*
Mr. Dong Xin *(President)*

BOARD COMMITTEES

Audit Committee Members
Ms. Chen Jinrong *(Chairman of the Audit Committee)*
Mr. Choy Sze Chung Jojo
Mr. Yao Ziping

Strategic Committee Members
Mr. Weng Zhanbin *(Chairman of the Strategic Committee)*
Mr. Xu Xiaoliang
Mr. Liu Yongsheng

Nomination and Remuneration Committee Members
Mr. Choy Sze Chung Jojo *(Chairman of the Nomination and Remuneration Committee)*
Mr. Wang Ligang
Mr. Gao Min
Ms. Chen Jinrong
Mr. Wei Junhao

Geological and Resources Management Committee Members
Mr. Wei Junhao *(Chairman of the Geological and Resources Management Committee)*
Mr. Liu Yongsheng
Mr. Shen Shifu

* *For identification purpose only*

Safety and Environment Protection Committee Members

Mr. Dong Xin *(Chairman of the Safety and Environment Protection Committee)*
Mr. Wang Ligang
Mr. Shen Shifu

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Shandong Province
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Agricultural Bank of China
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Zhaoyuan City
Shandong Province
PRC

CORPORATE WEBSITE

www.zhaojin.com.cn

STOCK CODE

1818

I. PRINCIPAL ACTIVITIES

For the six months ended 30 June 2019 (the "Period"), Zhaojin Mining Industry Company Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") are mainly engaged in the exploration, mining, ore processing, smelting and sale of gold products and other metallic products in the People's Republic of China (the "PRC"). The principal products include "Au9999" and "Au9995" standard gold bullions and other gold products under the brand name of "Zhaojin".

II. INTERIM RESULTS

Revenue

During the Period, the Group generated revenue of approximately RMB2,817,982,000 in total (corresponding period of 2018: approximately RMB2,868,567,000), representing a decrease of approximately 1.76% as compared to the corresponding period of last year.

Net profit

During the Period, the net profit of the Group was approximately RMB255,923,000 (corresponding period of 2018: approximately RMB386,882,000), representing a decrease of approximately 33.85% as compared to the corresponding period of last year.

Product production

During the Period, the Group attained an aggregate gold production of approximately 15,885.08 kg (approximately 510,716.69 ozs), representing a decrease of approximately 4.37% as compared to the corresponding period of last year. In particular, the gold output from the Group's mines amounted to 10,134.78 kg (approximately 325,840.62 ozs), representing an increase of approximately 0.36% as compared to the corresponding period of last year, and the gold output from the smelting and tolling arrangement amounted to approximately 5,750.29 kg (approximately 184,876.07 ozs), representing a decrease of approximately 11.71% as compared to the corresponding period of last year. During the Period, the Group attained an aggregate copper production of approximately 9,781 tons (of which copper output from mines amounted to 5,971 tons, and copper output from smelting amounted to 3,810 tons), representing a decrease of approximately 19.69% as compared to the corresponding period of last year.

Profit attributable to owners of the parent

During the Period, the profit attributable to owners of the parent was approximately RMB238,855,000 (corresponding period of 2018: approximately RMB301,638,000), representing a decrease of approximately 20.81% as compared to the corresponding period of last year.

Earnings per share

During the Period, the basic and diluted earnings per share attributable to the ordinary equity holders of the parent amounted to approximately RMB0.07 (corresponding period of 2018: approximately RMB0.09), representing a decrease of approximately 22.22% as compared to the corresponding period of last year.

Net assets per share

As at 30 June 2019, the consolidated net assets per share was approximately RMB5.25 (30 June 2018: approximately RMB5.23), and the yield to net assets during the Period was approximately 1.51% (corresponding period of 2018: approximately 2.30%).

III. INTERIM DIVIDEND

The Board does not recommend the payment of interim dividend for the six months ended 30 June 2019 (corresponding period of 2018: Nil).

IV. BUSINESS REVIEW

At the beginning of 2019, international gold price opened at US$1,281.70/oz, and then continued to rise, with the highest price reaching US$1,346.47/oz. Subsequently, it began to oscillate downwards at the end of February, with the lowest price at US$1,265.20/oz. Since the end of May, with rising trade tensions, heightened sentiment of aversion towards geopolitical risk and with the global central banks having entered an interest-reducing cycle, international gold price has risen again. Meanwhile, under the momentum of active buying by global central banks, international gold price rose from US$1,274.82 to the height of US$1,438.43 at the end of June, and eventually closed at US$1,409.37/oz, with the average closing price being US$1,307.46/oz.

According to statistics from the China Gold Association, China's gold output amounted to 180.68 tons in the first half of 2019, representing a reduction in production of 9.6 tons when compared to the corresponding period in 2018 and a year-on-year decrease of 5.05%, in which 153.89 tons were mine-produced gold, representing a year-on-year decrease of 4.78%, and 26.79 tons were produced from non-ferrous raw materials, representing a year-on-year decrease of 6.52%. In the first half of the year, the top five provinces (regions) in terms of mine-produced gold output in the country were Shandong, Henan, Yunnan, Inner Mongolia and Gansu, with an aggregate mine-produced gold output of 62.91 tons, representing a year-on-year decrease of 7.31% and accounted for 40.88% of national output. Henan province was affected by the removal of mining rights in ecological protection areas and recorded a year-on-year decrease of 41.34% in terms of output, while gold output in Inner Mongolia recorded a year-on-year decrease of 3.23% due to technical reforms of some enterprises.

In the first half of 2019, the Company took "reform, development, stability" as the keynote of work, which guided our overall work with the theme of "five-optimal competitions" and "double focus", so as to deepen reform, guarantee implementation and implement steady development.

Adhering to the use of key businesses as the momentum for enhancement in the development of high-quality production and operation

In the first half of the year, with the mining business production of the Company having been affected by policies on mining like those on natural environment protection supervision and withdrawal of ecological protection areas, the Company has adjusted its development path on a timely basis, by focusing on maintaining the thematic activity of "securing, stabilizing and increasing production". We adhere to the use of key mines inside and outside of the province (such as Xiadian Gold Mine and Dayingezhuang Gold Mine) as the drive for reserve, effectiveness and potential enhancement, in order to ensure the stable development of production capacity against adverse market conditions. In the first half of the year, the Company's total output of mineral gold amounted to 10,134.78 kg (approximately 325,840.51 ozs), and it also achieved copper smelting output of 3,810 tons and copper content of 5,971 tons. In the meantime, the Company continued to strengthen exploration works to increase mineral reserves, and invested in geological exploration in the amount of RMB45.77 million in the first half of the year, resulting in an additional output of 11.01 tons of gold metal and increased reserve of 11.85 tons of gold metal; and an additional output of 752 tons of copper metal and increased reserve of 4,856 tons of copper metal, which successfully completed the plan indicators for the first half of the year.

Adhering to reform, development and stability as the key theme, and steady implementation of key engineering projects

In the first half of the year, the Company persistently carried out reform and fostered development at the same time. The Company deepened its reform in key areas like the management system, the human resources system for cadres and appraisal allocations. The developmental vitality of businesses continued to enhance since the roll-out of a series of effective reform initiatives. Meanwhile, the Company upheld the main line business lines "one advantage, one increase, one decrease" and continued to implement "double key work", accumulated investments in key infrastructure's technical innovation projects of RMB301 million, and it also completed phased progress goals as planned for ten key projects which included the construction project of Ruihai Mining, and the deep exploration of Xiadian Gold Mine and Dayingezhuang Gold Mine, the production continuity project of Tonghui Mining.

Insisting on facilitating development on technological innovation and releasing innovative momentum

In the first half of the year, the Company accumulated investments of RMB47.18 million in science and technology, and implemented a total of 29 key scientific research projects, including 10 innovative projects and 19 technological innovation projects; and applied for 18 new patents, and has been granted the licenses for 3 new invention patents and 25 utility novelty patents; has carried out 619 minor reforms, undertaken 1 national project, and the "Research and Application of Key Technologies of Four-Dimensional Supporting in Complicated and Crumbly Soft Rock Tunnels" of Tonghui Mining has been granted the "Outstanding Award for Technology Advancement" by the China Gold Association.

Adhering to the bottom line of safe, green and harmonious development, and pursuit of beautiful Zhaojin

In the first half of the year, the Company conscientiously implemented the relevant national laws and regulations, and invested RMB80 million in safety and environmental protection. The stability of the Company's overall safety and environmental protection situation has been guaranteed by effective measures such as the strengthening of on-site management, promotion of double key work of safety and environmental protection, safe production month, emergency drill and safety culture construction. The Company continued to strengthen the implementation of "Sihua", namely greening and beautifying of the overall environment of our plant and mining areas, with tree-planting and greening of 43 hectares. At the same time, the Company adhered to the working ideas of "gather staff loyalty, promote development, guarantee stability", and continued to promote Party building, letters and visits, labour unions, public security and other works to achieve synergy and effective implementation, and strengthened the efforts in community construction and created a peaceful, harmonious and stable internal and external development environment.

V. FINANCIAL AND RESULTS ANALYSIS

Revenue

During the Period, the Group's revenue amounted to approximately RMB2,817,982,000 (corresponding period of 2018: approximately RMB2,868,567,000), representing a decrease of approximately 1.76% as compared to the corresponding period of last year. During the Period, the decrease in revenue was primarily due to the decrease in copper sales prices and the decrease in copper production volume.

Net profit

During the Period, net profit of the Group amounted to approximately RMB255,923,000 (corresponding period of 2018: approximately RMB386,882,000), representing a decrease of approximately 33.85% as compared to the corresponding period of last year. The decrease in net profit was due to the increase in integrated costs of gold during the Period.

Integrated cost of gold per gram

During the Period, the Group's integrated cost of gold was approximately RMB160.17 per gram (corresponding period of 2018: approximately RMB146.38 per gram), representing an increase of approximately 9.40% as compared to the corresponding period of last year. The increase in integrated cost of gold was due to the decrease in volume of gold production, resulting in the increase in unit mining costs during the Period.

Cost of sales

During the Period, the Group's cost of sales amounted to approximately RMB1,746,346,000 (corresponding period of 2018: approximately RMB1,677,583,000), representing an increase of approximately 4.10% as compared to the corresponding period of last year. The increase was primarily attributable to an increase in the price of gold, resulting in the increase in cost of external procurement of gold concentrate during the Period.

Gross profit and gross profit margin

During the Period, the Group's gross profit was approximately RMB1,071,636,000, representing a decrease of approximately 10.02% as compared to RMB1,190,984,000 of the corresponding period of last year. The Group's gross profit margin has decreased from approximately 41.52% for the corresponding period of last year to approximately 38.03% for the Period. The decrease in gross profit was mainly due to the decrease in gold production volume, resulting in the increase in unit mining costs during the Period.

Other income and gains

During the Period, the Group's other income and gains were approximately RMB157,917,000 (corresponding period of 2018: approximately RMB166,970,000), representing a decrease of approximately 5.42% as compared to the corresponding period of last year. The decrease was mainly due to the decrease in investment income during the Period when compared to the corresponding period of last year.

Selling and distribution costs

During the Period, the Group's selling and distribution costs were approximately RMB33,466,000 (corresponding period of 2018: approximately RMB23,748,000), representing an increase of approximately 40.92% as compared to the corresponding period of last year. The increase was mainly due to the increase in expenses for overseas business expansion by subsidiaries of the Group during the Period.

Administrative and other operating expenses

During the Period, the Group's administrative and other operating expenses were approximately RMB621,071,000 (corresponding period of 2018: approximately RMB611,615,000), basically unchanged when compared to the corresponding period of last year.

Finance costs

During the Period, the Group's finance costs amounted to approximately RMB316,108,000 (corresponding period of 2018: approximately RMB236,119,000), representing an increase of approximately 33.88% as compared to the corresponding period of last year. Such increase was mainly attributable to the increase in overseas financing of USD guaranteed notes during the Period.

Liquidity and capital resources

The working capital and funding required by the Group were mainly generated from its cash flows from operations and borrowings, while the Group's capital was primarily used to fund its capital expenditures, operating activities and repayment of borrowings.

As at 30 June 2019, the Group had cash and cash equivalents of approximately RMB3,538,904,000, representing an increase of approximately 209.53% as compared to approximately RMB1,143,299,000 as at 31 December 2018. The increase was mainly due to the new issuance of USD guaranteed notes and the increase of operating cash inflow during the Period.

As at 30 June 2019, the balance of cash and cash equivalents of the Group denominated in Hong Kong dollars amounted to RMB137,011,000 (31 December 2018: RMB95,549,000), those denominated in United States dollars amounted to RMB2,064,604,000 (31 December 2018: RMB27,023,000). Those denominated in Kazakhstani Tenge amounted to approximately RMB8,000 (31 December 2018: RMB8,000). All other cash and cash equivalents held by the Group are denominated in Renminbi.

Renminbi is not freely convertible into other currencies, however, pursuant to the Regulation of the People's Republic of China on Foreign Exchange Administration and the Administration Regulations on Foreign Exchange Settlement, Sales and Payment, the Group is permitted to exchange Renminbi for other currencies through those banks which are authorized to conduct foreign exchange business.

Borrowings

As at 30 June 2019, the Group had outstanding bank borrowings, other borrowings and gold from gold leasing business (the Group financed through leases of gold from bank and subsequently sold through Shanghai Gold Exchange ("SGE")) of RMB9,691,715,000 (31 December 2018: RMB8,602,417,000), of which RMB9,463,085,000 (31 December 2018: RMB8,365,787,000) was repayable within one year, RMB228,630,000 (31 December 2018: RMB236,630,000) was repayable within two to five years and Nil (31 December 2018: Nil) was repayable after 5 years. As at 30 June 2019, the Group had outstanding corporate bonds of Nil (31 December 2018: Nil), which shall be repaid within one year and approximately RMB8,150,645,000 (31 December 2018: RMB6,098,697,000), which shall be repaid within two to five years.

As at 30 June 2019, except for bank loans of RMB5,498,000 (31 December 2018: Nil) denominated in United States dollars, all borrowings are denominated in Renminbi. As at 30 June 2019, except for secured and guaranteed bank loans and other borrowings of RMB1,099,685,000 (31 December 2018: RMB884,187,000), all borrowings are unsecured. As at 30 June 2019, 87.00% of the interest-bearing bank loans and other borrowings held by the Group were at fixed rates. As at 30 June 2019, except for guaranteed notes of RMB2,047,706,000 (31 December 2018: Nil) denominated in United States dollars, all corporate bonds are denominated in Renminbi.

Income tax

The effective income tax rate (i.e. the total income tax divided by profit before tax) of the Group during the Period was approximately 21.23% (corresponding period of 2018: approximately 20.29%).

Total assets

As at 30 June 2019, the total assets of the Group were approximately RMB39,343,896,000, representing an increase of approximately 9.63% as compared to approximately RMB35,887,179,000 as at 31 December 2018. Among which, total non-current assets amounted to approximately RMB27,402,322,000, accounting for approximately 69.65% of the total assets, and representing an increase of approximately 1.86% as compared to approximately RMB26,900,851,000 as at 31 December 2018. As at 30 June 2019, total current assets were approximately RMB11,941,574,000, accounting for approximately 30.35% of the total assets, and representing an increase of approximately 32.89% as compared to approximately RMB8,986,328,000 as at 31 December 2018.

Net assets

As at 30 June 2019, the net assets of the Group were approximately RMB16,915,855,000, representing an increase of approximately 0.64% as compared to approximately RMB16,807,565,000 as at 31 December 2018.

Total liabilities

As at 30 June 2019, the total liabilities of the Group were approximately RMB22,428,041,000, representing an increase of approximately 17.55% as compared to approximately RMB19,079,614,000 as at 31 December 2018. As at 30 June 2019, the gearing ratio (i.e. the net debt divided by the total equity plus net debt. Net debt includes interest-bearing bank and other borrowings, corporate bonds less the balance of cash and cash equivalents) was approximately 45.82% (31 December 2018: 44.65%).

Contingent liabilities

As at 30 June 2019, the contingent liabilities of the Group did not have any change as compared to 31 December 2018.

Market risks

The Group is exposed to various types of market risks, including fluctuations in gold price and other commodities prices, changes in interest rates and foreign exchange rates.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to the Group's cash and bank deposits, interest-bearing bank and other borrowings and corporate bonds. The Group controls its interest rate risk from the holding of certain cash, bank deposits, interest-bearing bank and other borrowings and corporate bonds mainly through placing short-term deposits at fixed or floating rates and at the same time having bank borrowings at fixed or floating rates.

During the Period, the Group had not used any interest rate swaps to hedge its exposure to interest rate risk.

Foreign exchange risk

The majority of the Group's transactions are carried out in Renminbi. The fluctuations in the RMB/USD exchange rate may affect the international and local gold price, which may therefore affect the Group's operating results. Fluctuation of foreign exchange rate may have an adverse effect on net assets, earnings and any dividend declared by the Group, which shall be converted or translated into Hong Kong dollars.

During the Period, the Group had not entered into any foreign exchange swaps to hedge against foreign exchange risks.

Gold price and other commodities price risks

The Group's exposure to price risk relates principally to the fluctuations in the market price of gold and copper, which may affect the Group's operation results. Under certain circumstances, the Group entered into AU (T+D) arrangements, which are substantially forward commodity contracts, in SGE during the Period to hedge against potential price fluctuations of gold. Under those contractual framework, the Group can forward buy or sell gold at the current day's price by depositing 10% of the total transaction amount as guarantee. Subsequently, it can close the deal by either physically delivering or entering into an offsetting arrangement. There are no special restrictions imposed on the settlement period by the contract. During the Period, the Group had not entered into any long-term AU (T+D) contractual framework.

The Group also entered into copper cathode and gold forward contracts in Shanghai Futures Exchange to hedge the price fluctuation caused by the sale of copper and gold.

The transaction price range of the forward commodity contracts is closely monitored by the management of the Group. Accordingly, a reasonable possible fluctuation of 10% in commodity prices would have no significant impact on the Group's profit and equity for the Period.

Pledge

As at 30 June 2019, except for the following assets pledged or charged for environmental improvement funds, margin of commodity contracts, margin of AU (T+D) arrangements, and for obtaining bank borrowings and notes payable, the Group had not pledged or charged any other assets: (1) property, plant and equipment, prepaid land lease payments and mining rights with net carrying amount of Nil (31 December 2018: Nil); (2) pledged deposits of RMB278,883,000 (31 December 2018: RMB352,756,000); (3) treasury bonds of RMB350,000,000 (31 December 2018: Nil) and (4) certificates of deposits of RMB5,498,000 (31 December 2018: Nil).

Use of proceeds

As at 30 June 2019, the net proceeds of approximately HK$1,205 million from the placing of 174,869,000 H shares of the Company, which was completed on 6 April 2017, had been fully utilised as intended.

Material changes since the publication of the most recent published annual report

Save as disclosed above, there were no material changes in the business operations of the Group since the publication of the 2018 annual report dated 25 April 2019 to the date of this report.

V. BUSINESS PROSPECTS

In the second half of 2019, the Company will closely stick to the annual targets, missions and major conquest tasks, insisting on results as its focus. The campaign of "five-optimal competitions" will continue to be carried out throughout the Company, and we will endeavor to overcome the influences of different unfavourable factors, invigorate our spirit, highlight the focus on work, mobilize the enthusiasm of all cadres and employees, and consolidate a good foundation for the Group's continuous and steady development.

Developing positive "steady production, enhancement of income, expansion of capability" actions, and exhausting every means to boost production volume and effectiveness

In the second half of the year, "steady production, enhancement of income, expansion of capability" shall be the motto for the production and operation work, adhering to advantageous resources, advantageous policies and the principle of allocation to advantageous enterprises, in order to ignite the proactivity of key businesses in production and enhancement of income; adhering to the strategy of being led by key projects, capturing the critical enhancement in relation to production capability, optimizing the processes, increasing the efficiency of construction technique in infrastructure and achieving breakthroughs in projects related to innovation in scientific research to enhance production volume and efficiency. The Company will strictly perform cost-saving, commence activities in broadening sources of income and reduce expenditure comprehensively. The Company will, at the same time, lower financing costs, enhance the ability of respective enterprises for financing through various channels and at low cost, and adjust the debt structure. Besides, the Company adheres to the integration of production and sales by enhancing volume of production, strengthening market analysis, capturing the sales of major products and by-products, seizing at the peak of the market, as well as maximizing the benefits of sales.

Enforcing strategic planning consistently, and enhancing the level of operation management comprehensively

In the second half of the year, the Company will continue to deepen reform in relevant areas, with an emphasis on financial management and planning management by following the overall ideology of "systematic management, standardized work, delicated processes, digital results", so as to enhance the management level of the Company holistically. With the opportunity of comprehensively enforcing the overall strategic plan, we can enhance the organization of production and operation management. With business results as a direction, the Company shall restrict different non-production types of expenses, and formulate reasonable measures to save costs effectively. The Company shall also strengthen the management ideology of "digitisation of results" to drastically increase the efficiency of the Company's operation and management. The Company will also encourage the trend of "benchmarking" in each line of work to enhance the level of management and increase efficiency.

Strengthening technological innovation, and enhancing the drive and vitality of high-quality development

In the second half of the year, the Company will reform its management system, cultivate a rich atmosphere for innovation by building teams with technological and innovative talents, strengthen the magnitude of tackling the ten biggest scientific research topics, and solve groundbreaking technical issues; the Company will focus on the commencement of the three battles of "safeguard of quality, enhancement of recoverable rate, integrated use of resources" by striving to resolve storage technology problems that constrain production and operation development. Meanwhile, the Company insisted on pursuing a high point of commencement and high benchmark, and closely capture three major science and research projects, namely intellectual mining of the subsea wells of Ruihai Mining, integrated use of manure from gold mine and the mineralization field pattern and theory. Besides, the Company will continue to push forward the mine exploration for increasing reserves and the work for opening up to the outside, so as to ensure that the reserve enhancement target would be successfully achieved.

Great emphasis on safety, environmental friendliness and stability of work, and securing reform and development of the Company

In the second half of the year, the Company will continue to greatly emphasize on work related to safety and environmental friendliness, closely attend to the wider situation of the Company's reform, adhere to the three red lines (safety, environmental friendliness and ecology), continuously strengthen the implementation of learning and system on laws and regulations on ecological safety, deepen the treatment and elimination of hidden problems. The Company will also strengthen environmental management by establishing green mines, advocating and committing to the environmental protection concept of "lucid waters and lush mountains are invaluable assets" and to further strengthen environmental protection, so as to achieve safety, green development and fully ensure the stability of the safety and environmental protection situation.

I. CHANGES IN SHAREHOLDING OF SHAREHOLDERS AND SHARE CAPITAL STRUCTURE

1. Number of shareholders

The details of the number of shareholders of the Company (the "Shareholders") recorded in the register of members as at 30 June 2019 are as follows:

Class	Number of Shareholders
Domestic share	7
Overseas-listed foreign share – H share	1,555
Total number of Shareholders	1,562

2. Substantial Shareholders

To the best knowledge of the directors, supervisors and chief executives of the Company, as at 30 June 2019, the interests and short positions of substantial Shareholders in the issued share capital of the Company which were required, pursuant to Section 336 of the Securities and Futures Ordinance (the "SFO") (Chapter 571 of the Laws of Hong Kong), to be entered into the register referred to therein, or holding 5% or above in the issued share capital of the Company which were required to be notified to the Company were as follows:

	Name of Shareholders	Class of shares	Capacity	Number of shares held	Approximate percentage of shareholding in the registered capital of the Company %	Approximate percentage of shareholding in the total number of issued domestic shares of the Company %	Approximate percentage of shareholding in the total number of issued H shares of the Company %	Long position/ Short position/ Lending pool
1	Shandong Zhaojin Group Company Limited	Domestic shares	Beneficial owner	1,086,514,000 *(Note 1)*	33.74	50.04	–	Long position
		Domestic shares	Interest of controlled corporation	50,967,195 *(Note 3)*	1.58	2.35	–	Long position
		H shares	Interest of controlled corporation	28,645,000 *(Notes 1 and 3)*	0.89	–	2.73	Long position

	Name of Shareholders	Class of shares	Capacity	Number of shares held	Approximate percentage of shareholding in the registered capital of the Company %	Approximate percentage of shareholding in the total number of issued domestic shares of the Company %	Approximate percentage of shareholding in the total number of issued H shares of the Company %	Long position/ Short position/ Lending pool
2	Shanghai Yuyuan Tourist Mart Co., Ltd.	Domestic shares	Beneficial owner	742,000,000	23.04	34.17	–	Long position
		Domestic shares	Interest of controlled corporation	21,200,000 *(Notes 1 and 2)*	0.66	0.98	–	Long position
3	Guo Guangchang	Domestic shares	Interest of controlled corporation	869,200,000 *(Note 4)*	26.99	40.03	–	Long position
4	Fosun International Limited	Domestic shares	Interest of controlled corporation	869,200,000 *(Note 4)*	26.99	40.03	–	Long position
5	Fosun International Holdings Ltd.	Domestic shares	Interest of controlled corporation	869,200,000 *(Note 4)*	26.99	40.03	–	Long position
6	The Bank of New York Mellon Corporation	H shares	Interest of controlled corporation	104,789,866 *(Note 5)*	3.25	–	9.99	Long position
		H shares	Interest of controlled corporation	103,608,526	3.22	–	9.87	Lending pool
7	VanEck Vectors ETF – VanEck Vectors Gold Miners ETF	H shares	Beneficial owner	65,084,500 *(Note 6)*	2.02	–	6.20	Long position
8	Van Eck Associates Corporation	H shares	Investment manager	104,758,800 *(Note 6)*	3.25	–	9.98	Long position
9	Schroders Plc	H shares	Investment manager	166,841,440 *(Note 7)*	5.18	–	15.90	Long position

	Name of Shareholders	Class of shares	Capacity	Number of shares held	Approximate percentage of shareholding in the registered capital of the Company %	Approximate percentage of shareholding in the total number of issued domestic shares of the Company %	Approximate percentage of shareholding in the total number of issued H shares of the Company %	Long position/ Short position/ Lending pool
10	Deutsche Bank Aktiengesellschaft	H shares	Beneficial owner	47,804,200	1.48	–	4.56	Long position
		H shares	Beneficial owner	60,470,400	1.88	–	5.76	Short position
11	BlackRock, Inc.	H shares	Interest of controlled corporation	94,856,731 *(Note 8)*	2.95	–	9.04	Long position
		H shares	Interest of controlled corporation	5,557,000 *(Note 8)*	0.17	–	0.53	Short position
12	JPMorgan Chase & Co.	H shares	Interest of controlled corporation	16,850,894 *(Note 9)*	0.52	–	1.61	Long position
		H shares	Interest of controlled corporation	12,032,025 *(Note 9)*	0.37	–	1.15	Short position
		H shares	Investment manager	67,500 *(Note 9)*	0.002	–	0.01	Long position
		H shares	Approved lending agent	48,646,904 *(Note 9)*	1.51	–	4.64	Lending pool

Notes:

(1) Pursuant to Section 336 of the SFO, the Shareholders are required to file disclosure of interests forms when certain criteria are fulfilled and the full details of the requirements are available on SFO's official website. When a Shareholder's shareholding in the Company changes, it is not necessary for the Shareholder to notify the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") unless certain criteria are fulfilled, therefore substantial Shareholders' latest shareholding in the Company may be different from the shareholding filed with the Company and the Stock Exchange.

(2) Shanghai Yuyuan Tourist Mart Co., Ltd. ("Shanghai Yuyuan") holds 100% equity interests in Shanghai Laomiao Gold Co., Ltd. ("Laomiao Gold"), therefore the 21,200,000 domestic shares held by Laomiao Gold in the Company is shown as long position of Shanghai Yuyuan.

(3) Shandong Zhaojin Group Company Limited ("Zhaojin Group") holds 100% equity interests in Zhaojin Non-Ferrous Mining Company Limited ("Zhaojin Non-Ferrous"), therefore the 50,967,195 domestic shares held by Zhaojin Non-Ferrous in the Company is shown as long position of Zhaojin Group. Luyin Trading Pte Ltd. ("Luyin") is a wholly-owned subsidiary of Zhaojin Group and therefore the 28,645,000 H shares held by Luyin is shown as long position of Zhaojin Group.

(4) Guo Guangchang is interested in the shares of the Company through his directly or indirectly controlled companies (including Fosun International Limited and Fosun International Holdings Ltd.).

(5) The Bank of New York Mellon Corporation directly holds 100% equity interest of The Bank of New York Mellon, and is therefore deemed to have an interest in the 104,789,866 shares held by The Bank of New York Mellon.

(6) Van Eck Associates Corporation is the investment manager of the VanEck Vectors ETF – VanEck Vectors Gold Miners ETF.

(7) Schroders Plc is interested in the shares of the Company through its directly or indirectly controlled companies.

(8) BlackRock, Inc. is interested in the shares of the Company through its directly or indirectly controlled companies.

(9) JPMorgan Chase & Co. is interested in the shares of the Company through its directly or indirectly controlled companies.

As at 30 June 2019, apart from the above disclosure and to the best knowledge of the directors, supervisors and chief executives of the Company, no person had any interests and short positions in the shares or underlying shares of the Company which were required, pursuant to Section 336 of the SFO, to be entered into the register referred to therein, or held 5% or above in the issued share capital of the Company which was required to be notified to the Company.

II. DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2019, the interests or short position of the directors, supervisors and chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest or short positions which they were taken or deemed to have under such provisions of the SFO), or which would be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which would be required to be notified to the Company and the Stock Exchange pursuant to Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

	Name and position	Class of shares	Capacity	Number of shares held	Approximate percentage of shareholding in the registered capital of the Company	Approximate percentage of shareholding in the total number of issued domestic shares of the Company	Long position/ Short position
1	Weng Zhanbin (Chairman and Executive Director)	Domestic shares	Beneficiary of a trust (other than a discretionary interest)	1,200,000	0.04%	0.06%	Long position
2	Dong Xin (Executive Director and President)	Domestic shares	Beneficiary of a trust (other than a discretionary interest)	300,000	0.009%	0.01%	Long position
3	Wang Ligang (Executive Director)	Domestic shares	Beneficiary of a trust (other than a discretionary interest)	1,000,000	0.03%	0.05%	Long position
4	Li Xiuchen (Chairman of the Supervisory Committee) *(Note 2)*	Domestic shares	Beneficiary of a trust (other than a discretionary interest)	1,000,000	0.03%	0.05%	Long position
5	Zhao Hua (Supervisor)	Domestic shares	Beneficiary of a trust (other than a discretionary interest)	200,000	0.006%	0.009%	Long position

Notes:

1. The interests set out above relate to the employee shares subscription plan portions ("ESSP Portions") under the ESSP subscribed by the directors, supervisors and chief executive. One ESSP Portion corresponds to one domestic share.

2. Li Xiuchen retired as chairman of the Supervisory Committee with effect from 26 February 2019.

Save as disclosed above, as at 30 June 2019, and to the knowledge of the directors, supervisors and chief executives of the Company, no person had any interests or short positions in the shares or underlying shares of the Company which were required, pursuant to Section 352 of the SFO, to be entered into the register referred to therein, or required pursuant to the Model Code to be notified to the Company and the Stock Exchange.

III. RIGHTS TO PURCHASE SHARES OR DEBENTURES OF DIRECTORS AND SUPERVISORS

Save as disclosed in this report, none of the directors and supervisors had any interests in the share capital or debt securities of the Company or any of its associated corporations (as defined in the SFO). None of the directors, supervisors and their spouses and children below eighteen years old was granted rights to subscribe for the interests in the share capital or debt securities of the Company or any of its associated corporations and there was no exercise of any of such rights by any of such person.

At no time during the Period had the Company or any of its subsidiaries, holding companies or any fellow subsidiaries entered into any arrangements which enable the directors and supervisors to have the rights to acquire benefits by means of acquisition of shares or debentures in the Company or any other legal entities.

IV. SUFFICIENT PUBLIC FLOAT

Based on the information available to the Company and so far as the directors were aware, the Company confirmed that during the Period and up to the date of this report, sufficient public float of the shares of the Company was maintained.

V. PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company.

VI. CONVERTIBLE SECURITIES, SHARE OPTIONS, WARRANTS OR SIMILAR RIGHTS

During the Period, the Company did not issue any convertible securities, share options, warrants or similar rights. During the Period and up to the date of this report, the Group has no share option scheme.

VII. EMPLOYEES

As of 30 June 2019, the Company had a total of 6,450 employees. The Group remunerates its employees according to their performance, experience and prevailing industry practices and provide other benefits to employees (including retirement benefit plans, medical benefit plans and housing provident fund plans). The Group also provides opportunities for further education and training to its employees. The Group offers competitive remuneration packages to its employees and reviews employee remuneration annually with reference to the prevailing labor market and human resources market trends and laws.

VIII. IMPORTANT EVENTS

1. On 14 June 2019, the 2018 annual general meeting considered and passed, among other things, the following resolutions:

(1) the Company's profit distribution proposal for the year ended 31 December 2018 to distribute a cash dividend of RMB0.04 (before taxation) per share to all Shareholders;

(2) authorizing the Board to allot, issue or deal with H shares and domestic shares of up to a maximum of 20% of the respective total number of issued H shares and existing domestic shares of the Company as at the date of passing such resolution;

(3) authorizing the Board to repurchase H shares of up to a maximum of 10% of the total number of issued H shares of the Company as at the date of passing such resolution;

(4) amending Article 8.23 and Article 10.13 of the articles of association of the Company; and

(5) amending Article 11, Article 45, Article 57 and Article 65 of the rules of procedures for general meetings of the Company.

Relevant details were set out in the circular and notice of the Company both dated 26 April 2019 and the voting results announcement of the Company dated 14 June 2019 respectively published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.zhaojin.com.cn.

2. On 14 June 2019, the domestic shares class meeting and H shares class meeting considered the following proposal respectively:

The Board was granted a general mandate to repurchase H shares of up to a maximum of 10% of the total number of issued H shares of the Company as at the date of passing such resolution.

The proposal was approved at the domestic shares class meeting and H shares class meeting respectively.

Relevant details were set out in the circular and notices of the Company all dated 26 April 2019 and the voting results announcement of the Company dated 14 June 2019 respectively published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.zhaojin.com.cn.

3. Changes in Composition of the Board and Members of the Committees under the Board

The Company held the 2019 first extraordinary general meeting on 26 February 2019, at which the Shareholders re-elected Mr. Weng Zhanbin, Mr. Dong Xin and Mr. Wang Ligang as executive directors; Mr. Xu Xiaoliang, Mr. Liu Yongsheng, Mr. Yao Ziping and Mr. Gao Min as non-executive directors; Ms. Chen Jinrong, Mr. Choy Sze Chung Jojo, Mr. Wei Junhao and Mr. Shen Shifu as independent non-executive directors.

The Company held the first meeting of the sixth session of the Board on 26 February 2019, at which the Board agreed to appoint Mr. Yao Ziping as a member of the Audit Committee, Mr. Gao Min as a member of the Nomination and the Remuneration Committee of the Company. Their appointments were all with effect from 26 February 2019.

The details of changes in the composition of the Board and its committees were set out in the circular and notice both dated 11 January 2019 and the voting results announcement dated 26 February 2019 published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.zhaojin.com.cn.

4. Changes in the Composition of the Supervisory Committee

The Company held the 2019 first extraordinary general meeting on 26 February 2019, at which the Shareholders re-elected Mr. Zou Chao as a Shareholder representative supervisor of the Company; and appointed Mr. Wang Xiaojie as a Shareholder representative supervisor of the Company.

The Company held the first meeting of the sixth session of the Supervisory Committee of the Company on 26 February 2019, and agreed to appoint Mr. Wang Xiaojie as the chairman of the Supervisory Committee. His appointment was with effect from 26 February 2019.

The details of changes in the composition of the Supervisory Committee were set out in the circular and notice both dated 11 January 2019 and the voting results announcement dated 26 February 2019 published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.zhaojin.com.cn.

5. **Changes in Senior Management**

The Company held the first meeting of the sixth session of the Board on 26 February 2019, at which, as nominated by the chairman, the Board has appointed Mr. Dong Xin as the Company's president, and as nominated by the president, the Board has appointed Mr. Wang Ligang, Mr. Sun Xiduan, Ms. Wang Wanhong, Mr. Tang Zhanxin and Mr. Wang Chunguang as the Company's vice presidents, Mr. Zou Qingli as the Company's chief financial officer for a term commencing from 26 February 2019 to the end of term of the current session of the Board.

6. **Issue of Super Short-term Bonds**

On 15 January 2019, the Company issued the first tranche of super short-term bonds for 2019 with a par value of RMB0.7 billion for a term of 270 days and bearing interest rate of 3.45% per annum. The proceeds are to repay interest-bearing loans and replenish the liquid working capital of the Company.

Relevant details were set out in the announcements of the Company dated 14 January 2019 and 18 January 2019 published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.zhaojin.com.cn.

On 27 March 2019, the Company issued the second tranche of super short-term bonds for 2019 with a par value of RMB1 billion for a term of 180 days and bearing interest rate of 3.15% per annum. The proceeds are to repay interest-bearing loans and replenish the liquid working capital of the Company.

Relevant details were set out in the announcements of the Company dated 26 March 2019 and 3 April 2019 published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.zhaojin.com.cn.

7. **Issuance of USD Guaranteed Notes**

On 26 February 2019 (after trading hours), Zhaojin Mining International Finance Limited and the Company entered into the subscription agreement with Credit Suisse Securities (Europe) Limited, Zhongtai International Securities Limited, Standard Chartered Bank, China CITIC Bank International Limited, China Everbright Bank Co., Ltd., Hong Kong Branch, China Minsheng Banking Corp., Ltd., Hong Kong Branch, Industrial Bank Co., Ltd. Hong Kong Branch, Silk Road International Capital Limited, CCB International Capital Limited, Central Wealth Securities Investment Limited, China Securities (International) Corporate Finance Company Limited, CMB International Capital Limited, Fosun Hani Securities Limited, Ping An of China Securities (Hong Kong) Company Limited, Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch and UBS AG Hong Kong Branch in connection with the issue of USD300,000,000 5.50 per cent. guaranteed notes due 2022 (the "Notes Issue"). The Notes Issue has been completed on 1 March 2019.

Relevant details were set out in the announcements of the Company dated 18 October 2018, 27 February 2019 and 1 March 2019, respectively published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.zhaojin.com.cn.

IX. EVENTS AFTER THE REPORTING PERIOD

1. Issue of Super Short-term Bonds

On 18 July 2019, the Company issued the third tranche of super short-term bonds for 2019 with a par value of RMB0.7 billion for a term of 270 days and bearing interest rate of 3.10% per annum. The proceeds are to repay interest-bearing loans and replenish the liquid working capital of the Company.

Relevant details were set out in the announcements of the Company dated 17 July 2019 and 23 July 2019 published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.zhaojin.com.cn.

On 19 August 2019, the Company issued the fourth tranche of super short-term bonds for 2019 with a par value of RMB1 billion for a term of 270 days and bearing interest rate of 3.18% per annum. The proceeds are to repay interest-bearing loans and replenish the liquid working capital of the Company.

Relevant details were set out in the announcements of the Company dated 16 August 2019 and 21 August 2019 published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.zhaojin.com.cn.

2. Continuing Connected Transactions

On 23 August 2019, the Company entered into the Exploration, Environmental Governance and Related Technical Services Framework Agreement with the Third Institute of Geological and Mineral Exploration of Gansu Provincial Bureau of Geology and Mineral Resources ("No. 3 Exploration Institute") in relation to the provision of exploration, environmental governance and related technical services by No. 3 Exploration Institute and its subsidiaries to the Group during the period from 1 January 2019 to 31 December 2021.

Relevant details were set out in the announcement of the Company dated 23 August 2019 published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.zhaojin.com.cn.

X. COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board is of the view that the Company has complied with all the code provisions in the Corporate Governance Code (the "Code") as set out in Appendix 14 to the Listing Rules during the period from 1 January 2019 to 30 June 2019. No director is aware of any information that reasonably reveals that there is any non-compliance with the code provisions in the Code by the Company during any time of the Period.

XI. COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding directors' and supervisors' securities dealings.

After making specific enquiries with the directors and supervisors, all directors and supervisors of the Company have fully complied with the standards required according to the Model Code during the Period.

XII. AUDIT COMMITTEE

The Audit Committee includes one non-executive director and two independent non-executive directors, namely Mr. Yao Ziping, Ms. Chen Jinrong and Mr. Choy Sze Chung Jojo, and its chairman is Ms. Chen Jinrong.

The Audit Committee has adopted a written terms of reference which is in compliance with the Code. It is mainly responsible for matters concerning the internal control and financial reporting, reviewing with the management of the accounting principles, accounting standards and methods adopted by the Company. The Audit Committee has discussed risk management and internal control affairs and reviewed the Company's unaudited interim report and the unaudited interim results announcement for the six months ended 30 June 2019, and the Audit Committee is of the view that the unaudited interim report and the unaudited interim results announcement for the six months ended 30 June 2019 have been prepared in accordance with applicable accounting standards, rules and regulations, and appropriate disclosures have been duly made.

XIII. INVESTOR RELATIONS

Investor relations is an important bridge between the Company and the capital market. The Company insists on putting investor relations management in an important position, eliminating doubts of investors by adhering to having a respectful and frank attitude. In the first half of 2019, the Company received more than 20 phone enquiries from investors, analysts and fund managers. In addition to maintaining good investor relations, the Company also maintained good relations with various mass media such as Wen Wei Po, Hong Kong Commercial Daily and Ta Kung Pao which have always proactively and positively reported about the Company, so as to build a healthy, sound and positive image to investors. We will make great efforts to change Zhaojin Mining Industry into an enterprise with universal value and social responsibility to become China's Zhaojin and the world's Zhaojin.

In the first half of 2019, the Company conscientiously fulfilled its obligation of information disclosure set out in the "Administrative Measures on Information Disclosure of Listed Companies" to ensure truthfulness, accuracy, completeness, timeliness and fairness of information disclosure. It has published 41 announcements and notices on the website of the Stock Exchange and simultaneously disclosed such information on the website of the Company.

By order of the Board
Zhaojin Mining Industry Company Limited*
Weng Zhanbin
Chairman

Zhaoyuan, the PRC, 23 August 2019

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the board of directors of **Zhaojin Mining Industry Company Limited**
(A joint stock limited company established in the People's Republic of China with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 26 to 62 which comprises the condensed consolidated statement of financial position of Zhaojin Mining Industry Company Limited and its subsidiaries (the "Group") as at 30 June 2019 and the related interim condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and 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 Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 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 HKICPA. 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 is not prepared, in all material respects, in accordance with HKAS 34.

Ernst & Young
Certified Public Accountants
Hong Kong

23 August 2019

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2019

	Notes	For the six months ended 30 June 2019 RMB'000 (Unaudited)	2018 RMB'000 (Unaudited)
REVENUE	*5*	**2,817,982**	2,868,567
Cost of sales		**(1,746,346)**	(1,677,583)
Gross profit		**1,071,636**	1,190,984
Other income and gains	*5*	**157,917**	166,970
Selling and distribution expenses		**(33,466)**	(23,748)
Administrative expenses		**(443,056)**	(442,141)
Impairment losses on financial assets		**(9,604)**	(4,022)
Gain on disposal of financial assets		**52,040**	–
Other expenses		**(168,411)**	(165,452)
Finance costs		**(316,108)**	(236,119)
Share of profits and losses of:			
– Associates		**1,598**	1,680
– Joint ventures		**12,373**	(2,818)
PROFIT BEFORE TAX	*6*	**324,919**	485,334
Income tax expense	*7*	**(68,996)**	(98,452)
PROFIT FOR THE PERIOD		**255,923**	386,882
Attributable to:			
Owners of the parent		**238,855**	301,638
Non-controlling interests		**17,068**	85,244
		255,923	386,882
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted			
Earnings per share for the period *(RMB)*	*9*	**0.07**	0.09

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2019

	For the six months ended 30 June	
	2019	2018
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
PROFIT FOR THE PERIOD	**255,923**	386,882
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**17,602**	66
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	**17,602**	66
Net other comprehensive loss that will not be reclassified to profit or loss in subsequent periods, net of tax	**–**	(2,000)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF TAX	**17,602**	(1,934)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**273,525**	384,948
Attributable to:		
Owners of the parent	**256,209**	299,189
Non-controlling interests	**17,316**	85,759
	273,525	384,948

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2019

	Notes	30 June 2019 RMB'000 (Unaudited)	31 December 2018 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	*10*	**14,415,717**	14,221,347
Right-of-use assets		**754,701**	–
Prepaid land lease payments		**–**	683,906
Goodwill		**693,434**	693,434
Other intangible assets	*10*	**9,489,555**	9,399,297
Investments in joint ventures		**237,076**	172,416
Investments in associates		**682,207**	678,125
Deferred tax assets		**145,940**	147,827
Long-term deposits		**68,297**	72,882
Financial assets measured at amortised cost		**353,736**	241,753
Other long-term assets	*11*	**561,659**	589,864
Total non-current assets		**27,402,322**	26,900,851
CURRENT ASSETS			
Inventories		**4,242,938**	4,190,556
Trade and notes receivables	*12*	**252,382**	145,497
Prepayments, deposits and other receivables		**993,358**	657,929
Financial assets at fair value through profit or loss		**532,843**	598,007
Pledged deposits		**278,883**	352,756
Loans receivable		**2,102,266**	1,898,284
Cash and cash equivalents		**3,538,904**	1,143,299
Total current assets		**11,941,574**	8,986,328
CURRENT LIABILITIES			
Trade and notes payables	*13*	**404,845**	524,515
Other payables and accruals		**1,807,344**	1,707,054
Interest-bearing bank and other borrowings	*14*	**9,463,085**	8,365,787
Tax payable		**37,254**	64,705
Provisions		**7,205**	14,525
Deposits from customers		**1,240,205**	1,002,015
Current portion of other long-term liabilities		**133,749**	125,000
Lease liabilities		**14,427**	–
Total current liabilities		**13,108,114**	11,803,601

	Notes	30 June 2019 RMB'000 (Unaudited)	31 December 2018 RMB'000 (Audited)
NET CURRENT LIABILITIES		**(1,166,540)**	(2,817,273)
TOTAL ASSETS LESS CURRENT LIABILITIES		**26,235,782**	24,083,578
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings	*14*	**228,630**	236,630
Corporate bonds	*15*	**8,150,645**	6,098,697
Deferred tax liabilities		**367,349**	361,989
Deferred income		**277,109**	305,238
Provisions		**62,941**	62,941
Other long-term liabilities		**191,003**	210,518
Lease liabilities		**42,250**	–
Total non-current liabilities		**9,319,927**	7,276,013
NET ASSETS		**16,915,855**	16,807,565
EQUITY			
Equity attributable to owners of the parent			
Share capital		**3,220,696**	3,220,696
Perpetual capital instruments		**2,677,300**	2,664,600
Reserves		**7,468,130**	7,413,181
		13,366,126	13,298,477
Non-controlling interests		**3,549,729**	3,509,088
TOTAL EQUITY		**16,915,855**	16,807,565

Director *Director*

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2019

	Attributable to owners of the parent									
	Share capital RMB'000	Perpetual capital instruments RMB'000	Capital reserve RMB'000	Special reserve RMB'000	Statutory and distributable reserve RMB'000	Exchange fluctuation reserve RMB'000	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
At 31 December 2018 (Audited)	3,220,696	2,664,600	2,264,755	26,433	1,028,595	(9,096)	4,102,494	13,298,477	3,509,088	16,807,565
Effect of adoption of HKFRS 16	–	–	–	–	–	–	(3,082)	(3,082)	–	(3,082)
At 1 January 2019 (Unaudited)	3,220,696	2,664,600	2,264,755	26,433	1,028,595	(9,096)	4,099,412	13,295,395	3,509,088	16,804,483
Profit for the period	–	–	–	–	–	–	238,855	238,855	17,068	255,923
Exchange differences on translation of foreign operations	–	–	–	–	–	17,354	–	17,354	248	17,602
Total comprehensive income for the period	–	–	–	–	–	17,354	238,855	256,209	17,316	273,525
Dividends paid to non-controlling shareholders	–	–	–	–	–	–	–	–	(15,875)	(15,875)
Acquisition of a subsidiary	–	–	–	–	–	–	–	–	39,200	39,200
Safety production cost	–	–	–	5,752	–	–	(5,752)	–	–	–
Accrued distribution of perpetual capital instruments	–	69,350	–	–	–	–	(69,350)	–	–	–
Distribution of perpetual capital instruments	–	(56,650)	–	–	–	–	–	(56,650)	–	(56,650)
2018 final dividend declared	–	–	–	–	–	–	(128,828)	(128,828)	–	(128,828)
At 30 June 2019 (Unaudited)	3,220,696	2,677,300	2,264,755*	32,185*	1,028,595*	8,258*	4,134,337*	13,366,126	3,549,729	16,915,855

* These reserve accounts comprise the consolidated reserves of RMB7,468,130,000 (31 December 2018: RMB7,413,181,000) in the consolidated statement of financial position.

	Attributable to owners of the parent									
	Share capital RMB'000	Perpetual capital instruments RMB'000	Capital reserve RMB'000	Special reserve RMB'000	Statutory and distributable reserve RMB'000	Exchange fluctuation reserve RMB'000	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
At 1 January 2018 (Audited)	3,220,696	2,664,600	2,305,029	28,139	983,263	(8,425)	4,006,632	13,199,934	3,563,974	16,763,908
Profit for the period	–	–	–	–	–	–	301,638	301,638	85,244	386,882
Changes in equity investments at fair value through other comprehensive income	–	–	(2,000)	–	–	–	–	(2,000)	–	(2,000)
Exchange differences on translation of foreign operations	–	–	–	–	–	(449)	–	(449)	515	66
Total comprehensive income for the period	–	–	(2,000)	–	–	(449)	301,638	299,189	85,759	384,948
Dividends paid to non-controlling shareholders	–	–	–	–	–	–	–	–	(37,146)	(37,146)
Capital contribution or reduction from non-controlling shareholders	–	–	(14,867)	–	–	–	–	(14,867)	(17,700)	(32,567)
Safety production cost	–	–	–	(1,063)	–	–	1,063	–	–	–
Accrued distribution of perpetual capital instruments	–	69,350	–	–	–	–	(69,350)	–	–	–
Distribution of perpetual capital instruments	–	(29,500)	–	–	–	–	–	(29,500)	–	(29,500)
2017 final dividend declared and paid	–	–	–	–	–	–	(193,242)	(193,242)	–	(193,242)
At 30 June 2018 (Unaudited)	3,220,696	2,704,450	2,288,162*	27,076*	983,263*	(8,874)*	4,046,741*	13,261,514	3,594,887	16,856,401

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2019

	Notes	For the six months ended 30 June 2019 RMB'000 (Unaudited)	2018 RMB'000 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		**324,919**	485,334
Adjustments for:			
Finance costs		**316,108**	236,119
Share of profits and losses of associates		**(1,598)**	(1,680)
Share of profits and losses of joint ventures		**(12,373)**	2,818
Interest income from loans receivable		**(49,958)**	(17,119)
Loss on disposal or write-off of items of property, plant and equipment, other intangible assets, prepaid land lease payments and other long-term assets		**1,529**	7,526
Fair value gain, net:			
– Equity investments at fair value through profit or loss		**–**	4,402
Gain on disposal of financial assets at fair value through profit or loss		**(52,040)**	–
Loss/(gain) on settlement of commodity derivative contracts		**64,156**	(28,237)
Depreciation of property, plant and equipment		**434,491**	437,481
Depreciation of right-of-use assets		**20,020**	–
Amortisation of other intangible assets		**56,374**	59,175
Amortisation of prepaid land lease payments		**–**	17,282
Amortisation of long-term prepaid expenses		**6,314**	7,194
Impairment of receivables	6	**7,103**	836
Impairment of loans receivable	6	**2,501**	3,186
(Reversal of provision for write-down of)/write-down of inventories to net realisable value	6	**(4,956)**	68,902
Impairment of property, plant and equipment	6	**–**	25,035
Impairment of intangible assets	6	**–**	4,247
Impairment of prepaid land lease payment	6	**–**	207
Decrease in long-term deposits		**4,585**	9,432
Increase in inventories		**(47,239)**	(497,846)
Increase in trade and notes receivables		**(112,770)**	(44,797)
Increase in prepayments and other receivables		**(294,972)**	(2,714)
Decrease in pledged deposits		**73,873**	14,037
Increase in loans receivable		**(196,258)**	(325,526)
(Decrease)/increase in trade and notes payables		**(126,300)**	42,624
Increase/(decrease) in other payables and accruals		**42,237**	(114,647)
Increase in deposits from customers		**238,190**	559,352
Decrease in deferred income		**(30,659)**	(47,353)
Decrease in provisions		**(7,320)**	(9,274)

	For the six months ended 30 June 2019 RMB'000 (Unaudited)	2018 RMB'000 (Unaudited)
CASH FLOWS FROM CASH GENERATED FROM OPERATIONS	**655,957**	895,996
Income taxes paid	**(88,548)**	(130,393)
NET CASH FLOWS FROM OPERATING ACTIVITIES	**567,409**	765,603
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	**45,608**	10,378
Purchases of items of property, plant and equipment	**(639,990)**	(942,755)
Additions to other intangible assets	**(120,433)**	(97,548)
Proceeds from disposal of items of property, plant and equipment	**7,392**	5,237
Net cash received from disposal of prepaid land lease payments	**–**	17,790
Acquisition of joint ventures	**(52,000)**	(33,669)
Acquisition of associates	**–**	(351,628)
Purchase of non-controlling interests	**–**	(46,568)
Net (payment)/proceeds from settlement of commodity derivative contracts	**(64,156)**	28,237
Deposits paid for commodity derivative contracts	**(40,287)**	(28,070)
Net proceeds from disposal of equity investments at fair value through profit or loss	**117,204**	233,369
Additions to right-of-use assets	**(24,238)**	–
Purchase of debt instruments at amortised cost	**(131,983)**	(120,409)
Decrease in loans receivable	**–**	10,000
Increase in loans receivable	**(8,400)**	(81,000)
Other cash (outflows)/inflows from investing activities	**(4,250)**	6,196
NET CASH FLOWS USED IN INVESTING ACTIVITIES	**(915,533)**	(1,390,440)

	For the six months ended 30 June 2019 RMB'000 (Unaudited)	2018 RMB'000 (Unaudited)
CASH FLOWS FROM FINANCING ACTIVITIES		
New bank loans and other borrowings	**8,610,348**	6,347,049
Repayment of bank loans and other borrowings	**(7,521,050)**	(6,841,813)
Capital contribution from non-controlling shareholders of subsidiaries	**–**	14,000
Dividends paid	**(114,101)**	(188,924)
Decrease in pledged deposits for short-term bank loans	**–**	17,710
Increase in corporate bonds	**2,051,453**	1,750,000
Interest paid	**(272,304)**	(265,242)
Principal portion of lease payments	**(8,415)**	–
Cash paid relating to other financing activities	**–**	(518)
NET CASH FLOWS FROM FINANCING ACTIVITIES	**2,745,931**	832,262
NET INCREASE IN CASH AND CASH EQUIVALENTS	**2,397,807**	207,425
Cash and cash equivalents at beginning of period	**1,143,299**	1,847,169
Effects of foreign exchange rate changes, net	**(2,202)**	7,642
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**3,538,904**	2,062,236
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	**2,343,483**	1,555,619
Non-pledged time deposits with original maturity of less than three months when acquired	**1,195,421**	506,617
Cash and cash equivalents as stated in the consolidated statement of cash flows	**3,538,904**	2,062,236

1. CORPORATE INFORMATION

Zhaojin Mining Industry Company Limited (the "Company") was established as a joint stock limited liability company under the Company Law of the People's Republic of China (the "PRC") on 16 April 2004. The registered office of the Company is located at 299 Jinhui Road, Zhaoyuan, Shandong, China.

The Company and its subsidiaries (the "Group") were principally engaged in the exploration, mining, processing, smelting of gold, the sale of gold products, and the mining, processing of copper and the sale of copper products in Mainland China. In addition, the Group processed and sold silver in Mainland China.

As of 30 June 2019, the major shareholders of the Company were Shandong Zhaojin Group Company Limited ("Zhaojin Group") and Shanghai Yuyuan Tourist Mart Co., Ltd., who held 36.21% and 23.70% of the issued share capital of the Company, respectively, with their subsidiaries.

The H shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 8 December 2006.

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

2.1 Basis of preparation

The interim condensed consolidated financial information for the six months ended 30 June 2019 has been prepared in accordance with HKAS 34 Interim Financial Reporting. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2018.

Going Concern

As at 30 June 2019, the Group had net current liabilities of RMB1,166,540,000 (2018: RMB2,817,273,000). In view of this circumstance, the directors of the Company have given consideration to the future liquidity of the Group and its available sources of finance including banking facilities in assessing whether the Group will have sufficient financial resources to continue as a going concern. As at 30 June 2019, by taking into account the Group's cash flow projection, including the Group's unutilised banking facilities, ability to renew or refinance the banking facilities upon maturity and the Group's future capital expenditure in respect of its non-cancellable capital commitments, the directors of the Company consider that the Group has sufficient working capital to meet in full its financial obligations as they fall due for at least the next twelve months from the end of the reporting period and accordingly, these financial statements have been prepared on a going concern basis.

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

2.2 Changes in accounting policies and disclosures

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2018, except for the adoption of the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") effective as of 1 January 2019.

Amendments to HKFRS 9	*Prepayment Features with Negative Compensation*
HKFRS 16	*Leases*
Amendments to HKAS 19	*Plan Amendment, Curtailment or Settlement*
Amendments to HKAS 28	*Long-term Interests in Associates and Joint Ventures*
HK(IFRIC)-Int 23	*Uncertainty over Income Tax Treatments*
Annual Improvements 2015-2017 Cycle	Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23

Other than as explained below regarding the impact of HKFRS 16 *Leases*, Amendments to HKAS 28 *Long-term Interests in Associates and Joint Ventures* and HK(IFRIC)-Int 23 *Uncertainty over Income Tax Treatments*, the new and revised standards are not relevant to the preparation of the Group's interim condensed consolidated financial information. The nature and impact of the new and revised HKFRSs are described below:

(a) HKFRS 16 replaces HKAS 17 *Leases*, HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease*, HK(SIC)-Int 15 *Operating Leases – Incentives* and HK(SIC)-Int 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. Lessor accounting under HKFRS 16 is substantially unchanged from HKAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in HKAS 17. Therefore, HKFRS 16 did not have any financial impact on leases where the Group is the lessor.

The Group adopted HKFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initial adoption as an adjustment to the opening balance of retained earnings at 1 January 2019, and the comparative information for 2018 was not restated and continues to be reported under HKAS 17.

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

2.2 Changes in accounting policies and disclosures (continued)

(a) Adoption of HKFRS 16 (continued)

New definition of a lease

Under HKFRS 16, a contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 at the date of initial application. Contracts that were not identified as leases under HKAS 17 and HK(IFRIC)-Int 4 were not reassessed. Therefore, the definition of a lease under HKFRS 16 has been applied only to contracts entered into or changed on or after 1 January 2019.

As a lessee – Leases previously classified as operating leases

Nature of the effect of adoption of HKFRS 16

The Group has lease contracts for various items of land use right and building. As a lessee, the Group previously classified leases as either finance leases or operating leases based on the assessment of whether the lease transferred substantially all the rewards and risks of ownership of assets to the Group. Under HKFRS 16, the Group applies a single approach to recognise and measure right-of-use assets and lease liabilities for all leases, except for two elective exemptions for leases of low-value assets (elected on a lease by lease basis) and short-term leases (elected by class of underlying asset). The Group has elected not to recognise right-of-use assets and lease liabilities for (i) leases of low-value assets (e.g., laptop computers and telephones); and (ii) leases, that at the commencement date, have a lease term of 12 months or less. Instead, the Group recognises the lease payments associated with those leases as an expense on a straight-line basis over the lease term.

Impacts on transition

Lease liabilities at 1 January 2019 were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at 1 January 2019.

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

2.2 Changes in accounting policies and disclosures (continued)

(a) Adoption of HKFRS 16 (continued)

As a lessee – Leases previously classified as operating leases (continued)

Impacts on transition (continued)

The right-of-use assets were recognised based on the carrying amount as if the standard had always been applied, except for the incremental borrowing rate where the Group applied the incremental borrowing rate at 1 January 2019. All these assets were assessed for any impairment based on HKAS 36 on that date. The Group elected to present the right-of-use assets separately in the statement of financial position.

The impacts arising from the adoption of HKFRS 16 as at 1 January 2019 are as follows:

	Increase/ (decrease) RMB'000 (Unaudited)
Assets	
Increase in right-of-use assets	750,483
Increase in deferred tax assets	652
Decrease in prepaid land lease payments	(683,906)
Decrease in other long-term assets	(5,219)
Increase in total assets	62,010
Liabilities	
Increase in lease liabilities	65,092
Decrease in retained earnings	3,082

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

2.2 Changes in accounting policies and disclosures (continued)

(a) Adoption of HKFRS 16 (continued)

As a lessee – Leases previously classified as operating leases (continued)

Impacts on transition (continued)

The lease liabilities as at 1 January 2019 reconciled to the operating lease commitments as at 31 December 2018 are as follows:

	RMB'000 (Unaudited)
Operating lease commitments as at 31 December 2018	88,231
Weighted average incremental borrowing rate as at 1 January 2019	4.90%
Discounted operating lease commitments as at 1 January 2019	65,092
Lease liabilities as at 1 January 2019	65,092

Summary of new accounting policies

The accounting policy for leases as disclosed in the annual financial statements for the year ended 31 December 2018 is replaced with the following new accounting policies upon adoption of HKFRS 16 from 1 January 2019:

Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of the estimated useful life and the lease term.

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

2.2 Changes in accounting policies and disclosures (continued)

(a) Adoption of HKFRS 16 (continued)

Summary of new accounting policies (continued)

Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in-substance fixed lease payments or a change in assessment to purchase the underlying asset.

Significant judgement in determining the lease term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its leases, to lease land use right for additional terms. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. It considers all relevant factors that create an economic incentive for it to exercise the renewal. After the lease commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within the control of the Group and affects its ability to exercise the option to renew.

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

2.2 Changes in accounting policies and disclosures (continued)

(a) Adoption of HKFRS 16 (continued)

Amounts recognised in the interim condensed consolidated statements of financial position and profit or loss

The carrying amounts of the Group's right-of-use assets and lease liabilities and the movements during the period are as follows:

	Right-of-use assets RMB'000 (Unaudited)	**Lease liabilities** RMB'000 (Unaudited)
As at 1 January 2019	750,483	65,092
Additions	24,238	–
Depreciation charge	(20,020)	–
Interest expense	–	1,916
Payments	–	(10,331)
As at 30 June 2019	754,701	56,677

(b) Amendments to HKAS 28 clarify that the scope exclusion of HKFRS 9 only includes interests in an associate or joint venture to which the equity method is applied and does not include long-term interests that in substance form part of the net investment in the associate or joint venture, to which the equity method has not been applied. Therefore, an entity applies HKFRS 9, rather than HKAS 28, including the impairment requirements under HKFRS 9, in accounting for such long-term interests. HKAS 28 is then applied to the net investment, which includes long-term interests, only in the context of recognising losses of an associate or joint venture and impairment of the net investment in the associate or joint venture. The Group assessed its business model for its long-term interests in associates and joint ventures upon adoption of the amendments on 1 January 2019 and concluded that the long-term interests in associates and joint ventures continue to be measured at amortised cost in accordance with HKFRS 9. Accordingly, the amendments did not have any impact on the Group's interim condensed consolidated financial information.

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

2.2 Changes in accounting policies and disclosures (continued)

(c) HK(IFRIC)-Int 23 addresses the accounting for income taxes (current and deferred) when tax treatments involve uncertainty that affects the application of HKAS 12 (often referred to as "uncertain tax positions"). The interpretation does not apply to taxes or levies outside the scope of HKAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The interpretation specifically addresses (i) whether an entity considers uncertain tax treatments separately; (ii) the assumptions an entity makes about the examination of tax treatments by taxation authorities; (iii) how an entity determines taxable profits or tax losses, tax bases, unused tax losses, unused tax credits and tax rates; and (iv) how an entity considers changes in facts and circumstances. Upon adoption of the interpretation, the Group considered whether it has any uncertain tax positions arising from the transfer pricing on its intergroup sales. Based on the Group's tax compliance and transfer pricing study, the Group determined that it is probable that its transfer pricing policy will be accepted by the tax authorities. Accordingly, the interpretation did not have any significant impact on the Group's interim condensed consolidated financial information.

3. SEASONALITY OF OPERATIONS

The Group's operations are not subject to seasonality.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

(a) The gold operations segment consists of gold mining and smelting operations;

(b) The copper operations segment consists of copper mining and smelting operations;

(c) the “others” segment comprises, principally, the Group’s other investment activities, a finance company operation, a hotel and catering operation and engineering design and consulting operation.

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of adjusted profit or loss before tax. The adjusted profit or loss before tax is measured consistently with the Group’s profit before tax except that interest income, finance costs, as well as corporate expenses are excluded from such measurement.

Segment assets exclude cash and cash equivalents, deferred tax assets, pledged deposits and other unallocated corporate assets as these assets are managed on a group basis.

Segment liabilities exclude interest-bearing bank and other borrowings, corporate bonds, deferred tax liabilities and other unallocated corporate liabilities as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

4. OPERATING SEGMENT INFORMATION (continued)

The Group's operating segments are as follows:

For the six months ended 30 June 2019 (Unaudited)

	Gold operations RMB'000	Copper operations RMB'000	Others RMB'000	Total RMB'000
Segment revenue				
Revenue from external customers	2,505,031	238,301	74,650	2,817,982
Segment results	548,565	38,442	(21,561)	565,446
Reconciliation:				
Interest income				75,581
Finance costs				(316,108)
Profit before tax				324,919
Segment assets	30,538,039	2,533,779	2,308,351	35,380,169
Reconciliation:				
Corporate and other unallocated assets				3,963,727
Total assets				39,343,896
Segment liabilities	2,586,632	293,722	1,337,978	4,218,332
Reconciliation:				
Corporate and other unallocated liabilities				18,209,709
Total liabilities				22,428,041
Other segment information				
Capital expenditure*	819,375	34,982	10,693	865,050
Investments in associates	682,207	–	–	682,207
Investments in joint ventures	–	109,024	128,052	237,076
Impairment losses(reversed)/recognised in the statement of profit or loss	(1,818)	4,338	2,128	4,648
Share of profits and losses of:				
– Associates	1,598	–	–	1,598
– Joint ventures	–	4,473	7,900	12,373
Depreciation and amortisation	444,708	59,343	6,834	510,885
Gain on disposal of equity investments at fair value through profit or loss	5,098	–	46,942	52,040

* Capital expenditure consists of additions to property, plant and equipment, other intangible assets and right-of-use assets.

4. OPERATING SEGMENT INFORMATION (continued)

The Group's operating segments are as follows (continued):

For the six months ended 30 June 2018 (Unaudited)

	Gold operations RMB'000	Copper operations RMB'000	Others RMB'000	Total RMB'000
Segment revenue				
Revenue from external customers	2,540,395	307,477	20,695	2,868,567
Segment results	643,121	48,106	(19,790)	671,437
Reconciliation:				
Interest income				50,016
Finance costs				(236,119)
Profit before tax				485,334
Segment assets	29,473,049	2,543,005	1,269,063	33,285,117
Reconciliation:				
Corporate and other unallocated assets				2,484,829
Total assets				35,769,946
Segment liabilities	2,602,333	336,226	1,138,260	4,076,819
Reconciliation:				
Corporate and other unallocated liabilities				14,836,726
Total liabilities				18,913,545
Other segment information				
Capital expenditure*	1,191,378	51,182	11,661	1,254,221
Investments in associates	626,200	–	–	626,200
Investments in joint ventures	–	83,161	33,669	116,830
Impairment losses recognised in the statement of profit or loss	99,155	–	3,258	102,413
Share of profits and losses of:				
– Associates	1,680	–	–	1,680
– Joint ventures	–	(2,818)	–	(2,818)
Depreciation and amortisation	452,900	52,130	8,908	513,938
Gain on settlement of commodity derivative contracts	20,921	4,461	1,671	27,053
Fair value gain/(loss) on equity investments at fair value through profit or loss	10,980	–	(7,763)	3,217

* Capital expenditure consists of additions to property, plant and equipment, other intangible assets and prepaid land lease payments.

4. OPERATING SEGMENT INFORMATION (continued)

Geographical information

As over 91% of the assets of the Group are located in Mainland China and over 99% of the sales are made to customers in Mainland China, no further geographical segment information has been presented.

Information about a major customer

For the six months ended 30 June 2019, revenue of approximately RMB2,249,823,000 (for the six months ended 30 June 2018: RMB2,068,454,000) was derived from sales by the gold operations segment to a single customer.

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2019	2018
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Sale of goods	2,796,895	2,842,365
Rendering of services	102,936	98,188
	2,899,831	2,940,553
Less: Government surcharges	(81,849)	(71,986)
	2,817,982	2,868,567
Goods transferred at a point in time	2,796,895	2,842,365
Services transferred over time	102,936	98,188
	2,899,831	2,940,553
Less: Government surcharges	(81,849)	(71,986)
Total revenue from contracts with customers	2,817,982	2,868,567

5. REVENUE, OTHER INCOME AND GAINS (continued)

Other income and gains

	For the six months ended 30 June	
	2019	2018
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest income	**75,581**	50,016
Government grants	**30,659**	30,530
Sales of auxiliary materials	**38,637**	29,856
Gains on settlement of derivative contracts	**–**	27,053
Others	**13,040**	29,515
	157,917	166,970

6. PROFIT BEFORE TAX

The Group's profit before tax from continuing operations is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2019	2018
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Cost of inventories sold	**1,746,346**	1,677,583
(Reversal of provision for write-down of)/write-down of inventories to net realisable value	**(4,956)**	68,902
Impairment of loans receivable	**2,501**	3,186
Impairment of receivables	**7,103**	836
Impairment of property, plant and equipment	**–**	25,035
Impairment of intangible assets	**–**	4,247
Impairment of prepaid land lease payment	**–**	207
Exchange differences, net	**12,192**	(16,824)

7. INCOME TAX EXPENSE

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Provision for current income tax in Mainland China is based on the statutory rate of 25% (2018: 25%) of the assessable profits of the Group as determined in accordance with the PRC Corporate Income Tax Law, which was approved and became effective on 1 January 2008, except for certain high and new technology enterprises and western-region-development enterprises of the Group in Mainland China, which are taxed at a preferential rate of 15%. Hong Kong profits tax has been provided at the rate of 16.5% (2018: 16.5%) on the estimated assessable profits arising in Hong Kong during the year.

The major components of income tax expense in the interim condensed consolidated statement of profit or loss are as follows:

	For the six months ended 30 June	
	2019	2018
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current – Mainland China		
– Charge for the period	**61,097**	111,440
Deferred tax	**7,899**	(12,988)
Total tax charge for the period	**68,996**	98,452

8. DIVIDENDS

	For the six months ended 30 June	
	2019	2018
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Ordinary:		
Proposed final – RMB0.04 per share		
(2018: RMB0.06 per share)	**128,828**	193,242

The proposed 2018 final dividend of RMB0.04 per share (tax included) in aggregate of RMB128,828,000 was approved by the shareholders on 14 June 2019. As at 30 June 2019, the final dividend of 2018 amounting to RMB34,768,000 has not been paid. No interim dividend was proposed for the period (2018: Nil).

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

Basic earnings per share is computed by dividing the profit attributable to ordinary equity holders of the parent for the period of RMB238,855,000 (for the six months ended 30 June 2018: RMB301,638,000) by the number of ordinary shares in issue during the period of 3,220,696,000 (for the six months ended 30 June 2018: 3,220,696,000).

The diluted earnings per share amounts were equal to the basic earnings per share amounts for the period and the six months ended 30 June 2019 and 30 June 2018, as no diluting events existed during these periods.

10. PROPERTY, PLANT AND EQUIPMENT AND OTHER INTANGIBLE ASSETS

For the six months ended 30 June 2019, the Group acquired property, plant and equipment with a cost of RMB637,782,000 (30 June 2018: RMB740,607,000) and other intangible assets with a cost of RMB146,633,000 (30 June 2018: RMB493,930,000).

For the six months ended 30 June 2019, depreciation for property, plant and equipment was RMB434,491,000 (30 June 2018: RMB437,481,000) and amortisation for other intangible assets was RMB56,374,000 (30 June 2018: RMB59,175,000).

For the six months ended 30 June 2019, the Group recorded no impairment losses on property, plant and equipment (30 June 2018: RMB25,035,000), and no impairment losses on other intangible assets (30 June 2018: RMB4,247,000), which were stated in other expenses in the statement of profit or loss.

For the six months ended 30 June 2019, property, plant and equipment with a net book value of RMB8,921,000 (30 June 2018: RMB12,407,000) were disposed of by the Group, resulting in a net loss on disposal of RMB1,897,000 (30 June 2018: RMB7,170,000).

In addition, during the period there were no transfers from property, plant and equipment (30 June 2018: Nil) to other intangible assets, no transfers from property, plant and equipment to others (30 June 2018: RMB4,175,000); and no transfers from other intangible assets (30 June 2018: RMB7,604,000) to property, plant and equipment.

11. OTHER LONG-TERM ASSETS

	30 June 2019 RMB'000 (Unaudited)	31 December 2018 RMB'000 (Audited)
Advances and deposits paid for acquisitions of subsidiaries and exploration rights	**409,170**	449,170
Advance payments for purchases of property, plant and equipment	**132,997**	117,470
Long-term prepaid expenses	**19,492**	23,224
	561,659	589,864

The outstanding commitments in relation to the above acquisitions are disclosed in note 16.

12. TRADE AND NOTES RECEIVABLES

	30 June 2019 RMB'000 (Unaudited)	31 December 2018 RMB'000 (Audited)
Trade receivables	**244,713**	116,514
Notes receivable	**24,859**	40,288
Impairment	**(17,190)**	(11,305)
	252,382	145,497

12. TRADE AND NOTES RECEIVABLES (continued)

An ageing analysis of the trade receivables, based on the invoice date and net of loss allowance, is as follows:

	30 June 2019 RMB'000 (Unaudited)	31 December 2018 RMB'000 (Audited)
Outstanding balances due within one year	214,301	96,024
Outstanding balances due over one year but within two years	14,752	4,404
Outstanding balances due over two years but within three years	–	152
Outstanding balances due over three years	15,660	15,934
	244,713	116,514
Less: impairment of trade receivables	(17,190)	(11,305)
	227,523	105,209

Trade and notes receivables are non-interest-bearing. As 80% of the sales of the Group for the period ended 30 June 2019 (for the six months ended 30 June 2018: 72%) were made through the Shanghai Gold Exchange without specific credit terms, there were no significant receivables that were overdue or impaired.

13. TRADE AND NOTES PAYABLES

	30 June 2019 RMB'000 (Unaudited)	31 December 2018 RMB'000 (Audited)
Trade payables	333,878	367,885
Notes payable	70,967	156,630
	404,845	524,515

At 30 June 2019, the balance of trade and notes payables mainly represented the amount regarding the unsettled procurement of gold concentrates. The trade payables are non-interest-bearing and are normally settled on 60 days' terms.

An ageing analysis of the trade and notes payables, as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2019 RMB'000 (Unaudited)	31 December 2018 RMB'000 (Audited)
Outstanding balances are due as follows:		
Within one year	364,729	465,410
Over one year but within two years	21,212	43,961
Over two years but within three years	10,334	9,341
Over three years	8,570	5,803
	404,845	524,515

14. INTEREST-BEARING BANK AND OTHER BORROWINGS

	30 June 2019 RMB'000 (Unaudited)	31 December 2018 RMB'000 (Audited)
Current:		
– Bank loans – unsecured	**1,339,430**	1,942,225
– Bank loans – secured *(a)*	**5,498**	–
– Bank loans – guaranteed *(b)*	**290,000**	430,000
– Gold leasing business – unsecured	**3,917,931**	4,411,137
– Gold leasing business – guaranteed *(b)*	**454,187**	454,187
– Other borrowings – unsecured	**708,271**	429,420
– Other borrowings – secured *(a)*	**350,000**	–
– Short-term bonds – unsecured	**2,397,768**	698,818
	9,463,085	8,365,787
Non-current:		
– Bank loans – unsecured	**228,630**	236,630
Total	**9,691,715**	8,602,417

As at 30 June 2019, most of the borrowings were denominated in RMB. The bank loans bear interest at effective interest rates of 3.00% to 9.00% (31 December 2018: 2.59% to 4.57%) per annum. The other borrowings bear interest at effective interest rates of 2.55% to 4.75% (31 December 2018: 2.55% to 5.46%) per annum.

(a) Certain of the Group's bank loans and other borrowings are secured by certificates of deposits and pledges over the Group's treasury bonds, which had aggregate carrying values at the end of the reporting period of approximately RMB355,498,000. (31 December 2018: Nil).

(b) As at 30 June 2019, bank loans and the gold leasing business of the subsidiaries with carrying amounts in aggregate of RMB744,187,000 were guaranteed by the Company (31 December 2018: RMB674,187,000). As at 30 June 2019, no bank loans of the subsidiaries were guaranteed by Zhaojin Group (31 December 2018: RMB210,000,000).

15. CORPORATE BONDS

	30 June 2019 RMB'000 (Unaudited)	31 December 2018 RMB'000 (Audited)
Zhaojin bonds	**5,104,437**	5,599,607
Zhaojin medium term notes	**998,502**	499,090
USD guaranteed notes *(a)*	**2,047,706**	–
Corporate bonds at the end of the year	**8,150,645**	6,098,697

Note:

(a) On 1 March 2019,with the Company as the guarantor, Zhaojin Mining International Finance Limited, a subsidiary of the Company, issued USD denominated guaranteed notes with a par value of USD0.3 billion. The notes carry interest at 5.5% per annum with a term of three years. The interest will be paid semi-annually in arrears.

16. COMMITMENTS

Capital commitments

	30 June 2019 RMB'000 (Unaudited)	31 December 2018 RMB'000 (Audited)
Contracted, but not provided for:		
– Property, plant and equipment	**664,581**	372,508
– Prepayment for potential acquisitions	**1,718,527**	1,675,317
	2,383,108	2,047,825

17. RELATED PARTY TRANSACTIONS

During the Period, the Group had the following material transactions with related parties:

	For the six months ended 30 June	
	2019	2018
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
(a) Nature of relationships/transactions		
(i) Zhaojin Group		
Expenses:		
– Tailings treatment service	**3,000**	–
– Brokerage service fees	**2,255**	3,717
Others:		
– Increase in deposits from customers, net	**210,292**	466,293
– Interest expense in deposits from customers	**9,192**	1,297
(ii) Subsidiaries of Zhaojin Group		
Expenses:		
– Fees for refining services	**2,617**	3,492
– Brokerage service fees	**2**	14
Capital transactions:		
– Purchase of materials	**58,364**	65,933
– Purchase of exploration services	**19,509**	14,608
– Purchase of digital mine construction technology services	**3,606**	26,088
– Purchase of water treatment engineering services	**10**	101
– Purchase of relevant necessary super filter membrane and equipment	**3,704**	656
Others:		
– Loans	**381,500**	219,701
– Interest income from loans	**13,082**	6,390
– Increase in deposits from customers, net	**28,762**	295,181
– Interest expense in deposits from customers	**3,977**	4,478

17. RELATED PARTY TRANSACTIONS (continued)

	For the six months ended 30 June 2019 RMB'000 (Unaudited)	2018 RMB'000 (Unaudited)
(iii) Associate – Aletai Zhengyuan International Mining Company Limited		
– Purchase of gold concentrates	**46,807**	6,532
(iv) Subsidiary of an associate – Shandong Wucailong Investment Company Limited		
– Entrusted loans	**2,000**	10,000
– Interest income	**2,710**	1,501
(v) Joint venture – Ruoqiang Changyun Sanfengshan Mining Company Limited		
– Purchase of copper concentrates	**7,940**	–

(b) Outstanding balances with related parties

The Group had an outstanding trade in nature balance due from Zhaojin Group of RMB2,646,000 (31 December 2018: Nil) and no amounts of trade in nature due from Zhaojin Group (31 December 2018: RMB12,207,000) as at the end of the reporting period. This balance is unsecured, interest-free and has no fixed terms of repayment.

(c) Compensation of key management personnel of the Group

	For the six months ended 30 June 2019 RMB'000 (Unaudited)	2018 RMB'000 (Unaudited)
Short term employee benefits	**3,175**	2,769
Post-employment benefits	**322**	288
Total compensation paid to key management personnel	**3,497**	3,057

18. FINANCIAL INSTRUMENTS

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

Financial assets

	30 June 2019 (Unaudited)			
	Financial assets at fair value through profit or loss RMB'000	Financial assets at fair value through other comprehensive income RMB'000	Financial assets at amortised cost RMB'000	Total RMB'000
Trade and notes receivables	–	24,859	227,523	252,382
Financial assets included in other receivables	–	–	451,361	451,361
Financial assets at fair value through profit or loss	532,843	–	–	532,843
Financial assets at amortised cost	–	–	353,736	353,736
Loans receivable	–	–	2,102,266	2,102,266
Pledged deposits	–	–	278,883	278,883
Total	532,843	24,859	3,413,769	3,971,471

Financial liabilities

	30 June 2019 Financial liabilities at amortised cost RMB'000 (Unaudited)
Trade and notes payables	404,845
Financial liabilities included in other payables and accruals	1,500,792
Interest-bearing bank and other borrowings	9,691,715
Corporate bonds	8,150,645
Deposits from customers	1,240,205
Other long-term liabilities (including current portion)	324,752
Lease liabilities	56,677
Total	21,369,631

18. FINANCIAL INSTRUMENTS (continued)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows: (continued)

Financial assets

	31 December 2018 (Audited)			
	Financial assets at fair value through profit or loss RMB'000	Financial assets at fair value through other comprehensive income RMB'000	Financial assets at amortised cost RMB'000	Total RMB'000
Trade and notes receivables	–	–	145,497	145,497
Financial assets included in other receivables	–	–	274,964	274,964
Financial assets at fair value through profit or loss	598,007	–	–	598,007
Financial assets at amortised cost	–	–	241,753	241,753
Loans receivable	–	–	1,898,284	1,898,284
Pledged deposits	–	–	352,756	352,756
Total	598,007	–	2,913,254	3,511,261

Financial liabilities

	31 December 2018 Financial liabilities at amortised cost RMB'000 (Audited)
Trade and notes payables	524,515
Financial liabilities included in other payables and accruals	1,453,446
Interest-bearing bank and other borrowings	8,602,417
Corporate bonds	6,098,697
Deposits from customers	1,002,015
Other long-term liabilities (including current portion)	335,518
Total	18,016,608

18. FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly in the open market

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value

As at 30 June 2019

	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)	Total RMB'000 (Unaudited)
Financial assets at fair value through profit or loss	464,166	–	68,677	532,843
Notes receivables	–	–	24,859	24,859
Total	464,166	–	93,536	557,702

18. FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

Assets measured at fair value (continued):

As at 31 December 2018

	Quoted prices in active markets (Level 1) RMB'000 (Audited)	Significant observable inputs (Level 2) RMB'000 (Audited)	Significant unobservable inputs (Level 3) RMB'000 (Audited)	Total RMB'000 (Audited)
Financial assets at fair value through profit or loss	169,756	428,251	–	598,007
Total	169,756	428,251	–	598,007

During the period, there were transfers of RMB428,251,000 of fair value measurements between Level 1 and Level 2 and no unquoted equity investments were transferred into Level 3 (as at 31 December 2018: Nil).

Liabilities measured at fair value

As at 30 June 2019, there were no financial liabilities measured at fair value (as at 31 December 2018: Nil).

18. FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

Liabilities for which fair values are disclosed

The fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

As at 30 June 2019

	Quoted prices in active markets (Level 1) RMB'000 (Unaudited)	Significant observable inputs (Level 2) RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Interest-bearing bank and other borrowings, non-current portion	–	228,597	228,597
Corporate bonds	8,278,117	–	8,278,117
Total	8,278,117	228,597	8,506,714

As at 31 December 2018

	Quoted prices in active markets (Level 1) RMB'000 (Audited)	Significant observable inputs (Level 2) RMB'000 (Audited)	Total RMB'000 (Audited)
Interest-bearing bank and other borrowings, non-current portion	–	236,597	236,597
Corporate bonds	6,619,500	–	6,619,500
Total	6,619,500	236,597	6,856,097

19. EVENTS AFTER THE REPORTING PERIOD

On 18 July 2019, the Group issued 270-day notes with a par value of RMB0.7 billion at a rate of 3.10% per annum.

On 19 August 2019, the Group issued 270-day notes with a par value of RMB1 billion at a rate of 3.18% per annum.

20. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements were approved and authorised for issue by the board of directors on 23 August 2019.