



紫金礦業集團股份有限公司
ZIJIN MINING GROUP COMPANY LIMITED*

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code : 2899)

2021
INTERIM REPORT

* For identification purpose only

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Corporate Information

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

EXECUTIVE DIRECTORS

Chen Jinghe (*Chairman*)
Lan Fusheng (*Vice-chairman*)
Zou Laichang (*President*)
Lin Hongfu
Lin Hongying
Xie Xionghui

NON-EXECUTIVE DIRECTOR

Li Jian

INDEPENDENT NON-EXECUTIVE DIRECTORS

Zhu Guang
Mao Jingwen
Li Changqing
He Fulong
Suen Man Tak
Bo Shao Chuan

AUDIT AND INTERNAL CONTROL COMMITTEE

Li Changqing
He Fulong
Li Jian
Zhu Guang
Suen Man Tak
Bo Shao Chuan
Zou Laichang
(Resigned as a committee member on 16 April 2021)
Lin Hongying
(Resigned as a committee member on 16 April 2021)

AUTHORISED REPRESENTATIVE

Chen Jinghe
Lan Fusheng

SUPERVISORS

Lin Shuiqing
Fan Wensheng
Xu Qiang
Liu Wenhong
Cao Sanxing

COMPANY SECRETARY

Fan Cheung Man

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 7503A, Level 75, International Commerce Centre
1 Austin Road West, Kowloon, Hong Kong

LEGAL ADDRESS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

1 Zijin Road, Shanghang County, Fujian Province, the PRC

LEGAL CONSULTANT OF THE COMPANY (HONG KONG LAWS)

Chungs Lawyers in association with DeHeng Law Offices

AUDITOR

PRC Auditor:
Ernst & Young Hua Ming LLP

HONG KONG H SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor, Hopewell Centre
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WEBSITE

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STOCK CODE

Hong Kong Stock Exchange: 02899
Shanghai Stock Exchange: 601899

Definition

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

In this report, unless otherwise indicated in the context, the following expressions have the meanings set out below:

A Share(s)	The domestic share(s) issued by the Company to domestic investors with a nominal value of RMB0.10 each, which are listed on the Shanghai Stock Exchange
Altynken	Altynken Limited Liability Company (Kyrgyzstan), a subsidiary of the Company
Ashele Copper	Xinjiang Habahe Ashele Copper Co., Ltd., a subsidiary of the Company
AUD	Australian dollar, the lawful currency of the Commonwealth of Australia
Bisha	Bisha Mining Share Company (Eritrea), a subsidiary of the Company
BNL	Barrick (Niugini) Limited, a company under joint operation of the Company
Board, Board of Directors	The board of Directors of the Company
COMMUS	La Compagnie Minière de Musonoie Global Société par Actions Simplifiée (DR Congo), a subsidiary of the Company
Company, Group, Zijin Mining, Zijin	Zijin Mining Group Co., Ltd.*
Continental Gold	Continental Gold Limited Sucursal Colombia, a subsidiary of the Company
CSRC	China Securities Regulatory Commission
Čukaru Peki Copper and Gold Mine	The project held by Serbia Zijin Mining Doo (formerly known as the Timok project), divided into the Upper Zone and the Lower Zone
Director(s)	The director(s) of the Company
DR Congo	The Democratic Republic of the Congo
Duobaoshan Copper Industry	Heilongjiang Duobaoshan Copper Industry Inc., a wholly-owned subsidiary of the Company
Guizhou Zijin	Guizhou Zijin Mining Co., Ltd., a subsidiary of the Company
H Share(s)	The overseas-listed foreign invested share(s) in the Company's share capital, with a nominal value of RMB0.10 each, which are listed on the Hong Kong Stock Exchange
Hong Kong	The Hong Kong Special Administrative Region of the People's Republic of China
Hong Kong Stock Exchange	The Stock Exchange of Hong Kong Limited
Hunchun Zijin	Hunchun Zijin Mining Co., Ltd. (Jilin Province), a wholly-owned subsidiary of the Company
Ivanhoe	Ivanhoe Mines Ltd.
Julong Copper	Tibet Julong Copper Co., Ltd., a subsidiary of the Company
Listing Rules	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
Longnan Zijin	Longnan Zijin Mining Co., Ltd. (Gansu Province), a subsidiary of the Company
Longxing	Longxing Limited Liability Company (Russia), a subsidiary of the Company
Luoyang Kunyu	Luoyang Kunyu Mining Co., Ltd. (Henan Province), a subsidiary of the Company
Makeng Mining	Fujian Makeng Mining Co., Ltd., an associate of the Company
Minxi Xinghang	Minxi Xinghang State-owned Assets Investment Company Limited, a substantial shareholder of the Company
Norton	Norton Gold Fields Pty Limited (Australia), a wholly-owned subsidiary of the Company
PNG	The Independent State of Papua New Guinea
PRC, China	The People's Republic of China but for the purpose of this report, excludes Hong Kong SAR, Macau SAR and Taiwan
RMB	Renminbi, the lawful currency of the PRC
Serbia Zijin Copper	Serbia Zijin Copper Doo, a subsidiary of the Company
SFO	Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
Shanghai Stock Exchange	Shanghai Stock Exchange
Shanxi Zijin	Shanxi Zijin Mining Co., Ltd., a wholly-owned subsidiary of the Company
Supervisor(s)	The supervisor(s) of the Company
Urad Rear Banner Zijin	Urad Rear Banner Zijin Mining Co., Ltd. (Inner Mongolia Autonomous Region), a subsidiary of the Company
USD	United States dollar, the lawful currency of the United States of America
Xinjiang Jinbao	Xinjiang Jinbao Mining Co., Ltd., a subsidiary of the Company
Zeravshan	Joint Venture Zeravshan Limited Liability Company (Tajikistan), a subsidiary of the Company
Zijin Zinc	Xinjiang Zijin Zinc Co., Ltd., a wholly-owned subsidiary of the Company

Basic Information of the Report

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

The board of directors (the “Board”) of Zijin Mining Group Co., Ltd.* (the “Company”) is pleased to announce the unaudited interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2021 (“this period”/the “reporting period”). This interim report has been reviewed and passed by the Board and the Audit and Internal Control Committee of the Company.

The following unaudited consolidated financial information was prepared in accordance with the Basic Standards and the Specific Standards of the Accounting Standards for Business Enterprises (“ASBE”) issued by the Ministry of Finance (“MOF”), and Application Guidance for ASBE, interpretations and other relevant regulations issued and revised thereafter (hereafter referred to as “CAS”).

This report contains some forward-looking statements and future plans of the Company, which do not constitute any actual commitment to investors. Investors are advised to pay attention to investment risks.

The report is published in both Chinese and English. In the case of any discrepancies, the Chinese version shall prevail.

Operation Overview

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

OVERVIEW OF THE COMPANY'S BUSINESS

I. Information on the conditions of the industry to which the Company belongs and the Company's main businesses during the reporting period

Zijin Mining is a sizeable multinational mining group dedicated to exploration and development of gold, copper, zinc and other mineral resources globally, and covers refining, processing, trading, financing and other businesses to an optimal extent. It has a relatively complete industrial chain. The Company's products play an increasingly important role in the sustainable development of the global economy and society as well as the structural transition and upgrade led by clean energy. During the reporting period, the Strategic and Sustainable Development (ESG) Committee of the Board proposed to regard new energy and new materials as important development directions.



Operation Overview *(continued)*

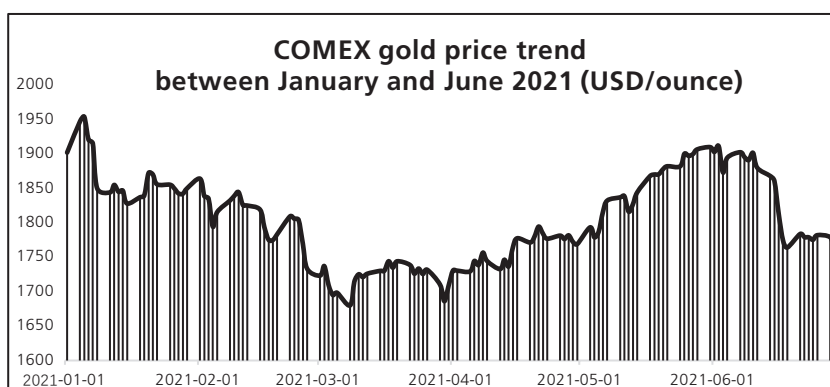
(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

1. Major business model

The Company strengthens the status of mining as its core and fundamental business, comprehensively enhances the operational capacity in the businesses of gold, copper and other major mineral resources, while having regard to zinc, silver, iron and other minerals, as well as the potential of minerals related to new energy and new materials. The Company operates over 30 major mining projects with current operation across 12 overseas countries and 14 provinces (regions) in the PRC, developing a batch of world-class increment projects that are primarily designed, constructed, operated and managed by the Company. A highly efficient, highly profitable and low-cost “Zijin Model” created therefrom has contributed “Zijin Power” to the social and economic development of the local communities.

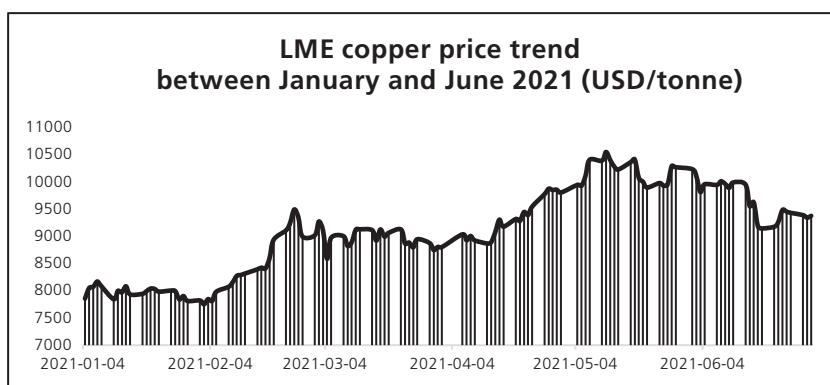
2. Analysis of the industry

- (1) Gold is a global strategic resource and the material basis of credit currency. It is not only an investment product and a reserve asset, but also a component of gold jewellery consumer goods and technological products. It has high liquidity and scarcity.



During the reporting period, the global economy continued to recover, and global risk aversion sentiment eased. However, as inflation in developed countries increased gradually, and COVID-19 virus variants ran rampant, major countries maintained loose monetary policies, the volatility of gold price increased, and gold price maintained at high levels. The highest international gold price reached USD1,953.7/ounce, while the lowest price hit USD1,679.8/ounce. The average price was USD1,805.8/ounce. The profitability of global gold corporations improved significantly. Prospecting and exploration of gold resources continued to heat up, mergers and acquisitions in the market were robust.

- (2) Copper is a strategic mineral of high-growth potential with both industrial and financial attributes. It is widely used in the power and grid industry, real estate and infrastructure industry, as well as air-conditioning, automotive consumer goods, etc. It is a vital material basis related to the social and economic development and people’s daily production and life.



Operation Overview *(continued)*

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During the reporting period, the prevention and control of the COVID-19 pandemic became normalised, recovery of global economy speeded up. The average PMI of the manufacturing industry reached 56.5%, and remained at an overall high level. Driven also by the concept of global decarbonisation, and the further increase in the demand for copper and other metal resources required for the transition to clean energy, copper price once again reached its peak in a decade. The highest copper price in the London market reached USD10,748/tonne, while the lowest price hit USD7,705/tonne. The average price was USD9,092/tonne, representing an increase of 71.13% compared with the same period last year (same period last year: USD5,313/tonne). Global prospecting, exploration, investment and the scale of merger and acquisition transactions of copper mineral resources increased rapidly. Well-established copper corporations and large and medium-sized enterprises were particularly active. The profitability of copper corporations all over the world improved in general. However, as the pandemic prevention and control of traditional copper supply countries in South America and elsewhere was under pressure, the uncertainties in supply-side recovery increased.

- (3) As a fundamental industrial metal, zinc is widely used in the realms of car manufacturing, battery energy storage, steel, metallurgy, machinery, electricity, chemical industry, light industry, military, pharmaceutical industry and so on.

During the reporting period, increase in the global demand for zinc coupling with slow recovery on the supply side under the impact of the pandemic caused significant price escalation. Zinc price in the London market reached the highest price at USD3,109/tonne and the lowest price hit USD2,547/tonne. The average price was USD2,850/tonne, representing an increase of 44.30% compared with the same period last year (same period last year: USD1,975/tonne).

3. Position in the industry

In Forbes' Global 2000 of 2021, the Company ranked 398th among the global listed companies, 9th among global metal corporations and 3rd among global gold corporations. It also ranked 67th in Fortune China 500 in the same year. During the reporting period, the Kamo-Kakula Copper Mine in the DR Congo completed construction and commenced production. The Ćukaru Peki Copper and Gold Mine in Serbia also entered the trial production stage. These two mines are both world-class super high-grade mines, which will have a significant impact on the Group's realisation of its strategic goals in the next five years.

Gold business is a crucial contributor to the Company's operating income and profit. The Company has over 2,300 tonnes of gold resource reserves, maintaining as one of the top 10 major gold corporations in the world. The production volume of mine-produced gold realised during the reporting period was 22.02 tonnes, representing an increase of 8.78% compared with the same period last year.

The Company's copper business is increasingly showing an explosive growth momentum. The Company has over 62 million tonnes of copper resource reserves, ranking around 10th among the major global copper corporations. The production volume of mine-produced copper realised during the reporting period was 240.6 thousand tonnes, representing an increase of 4.30% compared with the same period last year.

Profitability from the development of low-grade resources is a clear edge of the Company's zinc business. The Company has over 10 million tonnes of zinc resource reserves. The production volume of mine-produced zinc realised during the reporting period was 196.4 thousand tonnes, representing an increase of 23.46% compared with the same period last year.

Silver business is an associated emerging volume increment driver of the Company, which has over 9,500 tonnes of silver resource reserves (including associated reserves). The production volume of mine-produced silver realised in the first half of 2021 was 166.73 tonnes, representing an increase of 15.88% compared with the same period last year.

II. Analysis of the core competitiveness during the reporting period

The Company upholds innovations in system and mechanism, technology, management and engineering, and has established a model with Zijin characteristics in the aspects of resource exploration, engineering design, autonomous construction, production, operation, eco-sustainability, etc. The strategic value, market value, investment value and brand value of the Company are highly acknowledged within the industry.

During the reporting period, there was no material change in the Company's core competitiveness.

Operation Overview *(continued)*

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III. Discussion and analysis of operating performance

1. Business overview

During the reporting period, by closely adhering to the “Five-Year (2+3) Plan and Development Goals for 2030”, the Company insisted on the master work directive of “deepening reform, achieving leaping growth and sustainable development”, strived to overcome the adversities caused by the COVID-19 pandemic, proactively seized on opportunities from the strong upticks in the base metal market, thus achieving increases in both the sales volumes and selling prices of major mineral products, and attaining a leaping growth in key economic indicators. The Group realised an operating income of RMB109.863 billion, representing an increase of 32.14% compared with the same period last year (same period last year: RMB83.142 billion); profit before tax was RMB11.470 billion, representing an increase of 180.12% compared with the same period last year (same period last year: RMB4.095 billion). Among which, the net profit attributable to owners of the parent was RMB6.649 billion, representing an increase of 174.60% compared with the same period last year (same period last year: RMB2.421 billion). This has exceeded the profit attributable to owners of the parent reported for the whole year of 2020, setting a new record in the Company’s history. As at the end of June 2021, the Company’s total assets amounted to RMB198.662 billion, representing an increase of 8.97% compared with the beginning of the year (beginning of the year: RMB182.313 billion), in which the net assets attributable to owners of the listed company amounted to RMB66.887 billion, representing an increase of 18.30% compared with the beginning of the year (beginning of the year: RMB56.539 billion).

Gold mine business

During the reporting period, the Group produced 149,933kg (4,820,453 ounces) of gold, representing a decrease of 7.58% compared with the same period last year (same period last year: 162,233kg).

Among which, 22,015kg (707,788 ounces) was mine-produced gold, representing an increase of 8.78% compared with the same period last year (same period last year: 20,237kg).

Au Major enterprises or mines	Name	Interest held by the Group	Mine-produced gold (kg)
	Zeravshan in Tajikistan	70%	3,108
	Buriticá Gold Mine in Colombia	69.28%	2,763
	Longnan Zijin in Gansu	84.22%	2,554
	Norton in Australia	100%	2,184
	Altynken in Kyrgyzstan	60%	2,183
	Hunchun Zijin in Jilin	100%	1,322
	Duobaoshan Copper Industry in Heilongjiang	100%	1,194
	Guizhou Zijin	56%	1,132
	Zijinshan Gold and Copper Mine in Fujian	100%	1,070
Total of other gold enterprises of the Group			4,504
Total			22,015

127,918kg (4,112,665 ounces) of refined and processed gold was produced, representing a decrease of 9.91% compared with the same period last year (same period last year: 141,996kg).

Sales income generated from the gold business represented approximately 40.18% (after elimination) of the operating income during the reporting period, and the gross profit generated from the products represented approximately 20.83% of the gross profit of the Group.

(1 troy ounce = 31.1035 grammes)

Operation Overview *(continued)*

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Copper mine business

During the reporting period, the Group produced 555,872 tonnes of copper, representing an increase of 6.52% compared with the same period last year (same period last year: 521,848 tonnes).

Among which, 240,626 tonnes was mine-produced copper, representing an increase of 4.30% compared with the same period last year (same period last year: 230,710 tonnes).

	Name	Interest held by the Group	Mine-produced copper (tonne)	Note
Cu Major enterprises or mines	Kolwezi Copper Mine in the DR Congo	72%	60,351	Including: 31,990 tonnes of electrodeposited copper
	Duobaoshan Copper Industry in Heilongjiang	100%	54,690	
	Zijinshan Gold and Copper Mine in Fujian	100%	43,148	Including: 10,839 tonnes of electrodeposited copper
	Serbia Zijin Copper	63%	29,402	Including: 28,899 tonnes of electrolytic copper
	Ashele Copper in Xinjiang	51%	23,109	
	Bisha in Eritrea	55%	9,728	
	Julong Copper in Tibet	50.1%	7,987	
	Total of other mines			12,211
Total			240,626	

315,246 tonnes of copper were produced from refineries, representing an increase of 8.28% compared with the same period last year (same period last year: 291,138 tonnes).

Sales income generated from the copper mine business represented approximately 19.30% (after elimination) of the operating income during the reporting period, and the gross profit generated from the products represented approximately 52% of the gross profit of the Group.

Lead and zinc mine business

During the reporting period, the Group produced 344,035.50 tonnes of zinc, representing an increase of 30.10% compared with the same period last year (same period last year: 264,430 tonnes). Among which, the Group produced 196,365 tonnes of mine-produced zinc in concentrate form, representing an increase of 23.46% compared with the same period last year (same period last year: 159,051 tonnes).

147,670 tonnes of zinc bullion were produced from refineries, representing an increase of 40.13% compared with the same period last year (same period last year: 105,379 tonnes).

During the reporting period, 18,085 tonnes of lead in concentrate form were produced, representing a decrease of 0.88% compared with the same period last year (same period last year: 18,246 tonnes).

Operation Overview *(continued)*

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Zn/Pb Major enterprises or mines	Name	Interest held by the Group	Mine-produced zinc (tonne)	Mine-produced lead (tonne)	Total of mine-produced zinc + mine-produced lead (tonne)
	Zijin Zinc in Xinjiang	100%	67,486	9,438	76,924
	Bisha in Eritrea	55%	66,567	–	66,567
	Longxing in Russia	70%	35,347	2,369	37,715
	Urad Rear Banner Zijin	95%	19,562	4,056	23,618
	Ashele Copper in Xinjiang	51%	6,796	–	6,796
Total of other mines			607	2,222	2,829
Total			196,365	18,085	214,450

Sales income generated from the lead and zinc mine business represented approximately 3.82% (after elimination) of the operating income during the reporting period, and the gross profit generated from the products represented approximately 8.43% of the gross profit of the Group.

Silver, iron mine and other businesses

During the reporting period, the Group produced 461,348.25kg of silver, representing an increase of 18.52% compared with the same period last year (same period last year: 389,266kg), among which, 166,725kg was mine-produced silver, representing an increase of 15.88% compared with the same period last year (same period last year: 143,881kg); 294,624kg of silver was produced from refineries as by-product, representing an increase of 20.07% compared with the same period last year (same period last year: 245,385kg).

Ag Major enterprises or mines	Name	Interest held by the Group	Mine-produced silver (kg)
	Bisha in Eritrea	55%	36,235
	Duobaoshan Copper Industry in Heilongjiang	100%	19,082
	Luoyang Kunyu	70%	18,881
	Ashele Copper in Xinjiang	51%	17,311
	Zijinshan Gold and Copper Mine in Fujian	100%	16,058
Total of other mines			59,160
Total			166,725

During the reporting period, the Group produced 2.3390 million tonnes of iron ore, representing an increase of 9.69% compared with the same period last year (same period last year: 2.1323 million tonnes).

Fe Major enterprises or mines	Name	Interest held by the Group	Iron ore (million tonnes)
	Xinjiang Jinbao	56%	1.8315
	Makeng Mining	41.5%	0.4665 (on equity basis)
Total of other mines			0.0410
Total			2.3390

Sales income generated from iron mine, silver and other products represented approximately 36.70% (after elimination) of the operating income during the reporting period, and the gross profit generated from the products represented approximately 18.74% of the gross profit of the Group.

Operation Overview *(continued)*

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

2. Major measures and achievements during the reporting period

(1) Major project construction progressed beyond expectations

A couple of crucial projects of the Company achieved milestone breakthroughs. The world-class Kamo-Kakula Copper Mine in the DR Congo has become the world's highest-grade super-large copper mine in production following completion of construction and commencement of production of phase 1 concentrator plant of stage one. The processing system of the Upper Zone of the Čukaru Peki Copper and Gold Mine in Serbia started trial production. The key constructions of phase 1 of the Qulong Copper Mine in Tibet were progressing as planned. Besides, technological upgrade and expansion projects of the Buriticá Gold Mine in Colombia, Norton in Australia, the Taror Gold Mine of Zeravshan, Guizhou Zijin, Shanxi Zijin, Serbia Zijin Copper, COMMUS in the DR Congo, the Tongshan Copper Mine of Duobaoshan Copper Industry, etc. continued to gain momentum. The Company's autonomous construction capacity improved rapidly, the construction teams at the Kamo-Kakula Mine in the DR Congo and other projects played an important role in the construction of many major projects at home and abroad, demonstrating the "Zijin Power" and "Zijin Speed".

(2) The pattern of globalised development further consolidated

The Company insisted on global strategic planning, enhanced compliance of operations in accordance with international regulatory requirements. Overseas businesses showed a rapid growth momentum. The volume of overseas mineral resources far exceeded the domestic volume, and the output of mineral products, amounts of overseas mining assets and profit surpassed or reached nearly half of the total volumes and amounts of the Company, and are expected to fully overtake the domestic volumes and amounts in 2 years. During the reporting period, the Company's overseas projects produced 11.88 tonnes of mine-produced gold, 102.7 thousand tonnes of mine-produced copper and 101.9 thousand tonnes of mine-produced zinc, representing 53.97%, 42.68% and 51.90% of the total production volumes of the Group, respectively. The Company's management and control capabilities in overseas capital and foreign exchange risk management were further enhanced.

(3) Steady upgrade of mining engineering management capability

Following Zijin's innovative theory, the Company has adopted the mining engineering management model of "integrating five ore treatment processes into one" to conduct systematic scientific explorations and strive for technological breakthroughs in various key stages of geological prospecting, mining, processing, metallurgy and environmental protection, and at the same time used modern information technologies to strengthen the full process management of mining development. The Company made important progress in the research and application of large-scale, low-cost and high-efficiency natural caving method in sizeable underground porphyry mines. The JM Copper Mine of Serbia Zijin Copper completed the crustal stress test. Through the reorganisation of Sinotech Minerals Exploration Co., Ltd. and the establishment of Sino-Zijin Resources Ltd., the Company's globalised prospecting capability was enhanced. The Company's environmental protection and reconstruction projects, such as emission and carbon reductions, clean energy, ecological restoration and resource recycling, were further promoted.

(4) Deepening reform obtained phased progress

In accordance with the principle of "streamlining, compliance and efficiency", the Company accelerated the development of its globalised operation management system. System optimisation, process reengineering and platform development obtained phased progress, authorisation reform was deepened, management and control models of divisional system were established in an orderly manner. The Company's informatisation and management systems continued to integrate, management level of accounting, finance, trade and logistics were improved. The Company stepped up the shaping of its internationalised talent system, and the talent structure was optimised continuously. The talent cultivation mechanism designated for senior reserve, outstanding youths and outstanding craftsmen continued to consolidate and develop.

(5) Sustainable development capacity improved significantly

The development of the Company's environmental, social and governance (ESG) system was improved. The Company remained vigilant on safety, environmental protection and occupational health, the safety situation was generally stable. The goal of "zero environmental incident" was achieved, the pandemic prevention and control were stable and in an orderly manner. The occupational health, safety management and environmental system obtained international ISO certifications. The Company issued the first "carbon neutral" bonds in China's precious metal industry.

Operation Overview *(continued)*

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The Company founded the Zijin Mining New Energy and Materials Research Institute, established long-term strategic partnerships with research institutions and corporations including BGRIMM Technology Group, China Geological Survey and Easpring Material Technology to conduct research on new energy minerals and new materials; made use of the tailings storages, dumps and housing facilities at the mines and refineries to roll out clean energy projects, primarily photovoltaic power generation, which will be promoted in an orderly manner from local to domestic and overseas.

The Company upholds the original aspiration and mission of “mining for a better society”, and insists on the harmonious development of the Company with the economy and society of the countries and communities of which its projects are located. The Company also actively contributes to the community co-development projects in the localities, such as pandemic prevention and control, medical care and hygiene, vocational training, education and teaching, charity and poverty alleviation. The Company respects the cultures and human rights of the host countries, promotes multicultural exchanges and mutual learning. Zijin’s “co-development” concept is widely recognised, as many projects have been highly praised by the officials and people in the host countries.

Material changes in the Company’s operating condition during the reporting period, and matters occurred within the reporting period which have material impacts and are expected to have material impacts in the future on the Company’s operating condition

1. On 9 April 2021, Barrick (Niugini) Limited (“BNL”) and the PNG Government entered into a binding framework agreement for the future ownership and operation of the Porgera Gold Mine. The mine is on track to resume operation later this year. BNL and PNG stakeholders are actively advancing the negotiation process in order to work towards the signing of definitive agreements as soon as possible, at which time full mine recommencement work will begin. For details, please refer to the Company’s announcement disclosed on HKEXnews website (<http://www.hkexnews.hk>) dated 9 April 2021.
2. During the reporting period, the Company’s key construction projects obtained remarkable achievements:
 - (1) The phase 1, 3.8 million-tonne-per-annum (Mtpa) concentrator plant of stage one of the Kamoakakula Copper Mine Project in the DR Congo started to produce copper concentrate in May 2021. Guidance for contained copper in concentrate expected to be produced by the project for 2021 is 80,000 to 95,000 tonnes. The construction of phase 2 has commenced in the first half of 2021 and is expected to be completed and put into operation in the third quarter of 2022. The planned production capacity of stage one of the project, comprising two phases of 3.8 Mtpa each, is 7.6 Mtpa. Phases 1 and 2 combined are forecast to produce approximately 400,000 tonnes of copper per year after reaching designated production capacity.
 - (2) The mining and processing project of the Upper Zone of the Ćukaru Peki Copper and Gold Mine in Serbia entered trial production stage in June 2021. The project is designed to process 3.3 million tonnes of ore per annum. It is planned that all work of the trial production stage shall be completed for submission to the Ministry of Mining for acceptance check before September this year. This will achieve a smooth transition from mine infrastructure construction to production and operation.
 - (3) Since the Company’s acquisition and control of the Qulong Copper Mine of Julong Copper in Tibet in June 2020, the construction of phase 1 of the project has been fully resumed and accelerated. Application for permits and licences is in good order overall, and the project is expected to complete construction and commence production in late 2021. Phase 1 will have a mining and processing capacity of 150 thousand tonnes per day and an annual copper metal production volume of approximately 160 thousand tonnes, turning the project into one of the largest copper mines in China; preparatory work for phase 2 has fully begun and is set to turn the project into a top-tier mine in the world.

It is expected that the gradual completion and commencement of production of the aforementioned key projects will have substantial impacts on the increment of the Company’s mine-produced copper production volume and will significantly enhance the Company’s profitability. The implications will be profound for the Company in realising its Five-Year (2+3) Plan and Development Goals for 2030.

Management Discussion and Analysis

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

OPERATING PERFORMANCE DURING THE REPORTING PERIOD

ANALYSIS OF MAIN BUSINESSES

1. Operating results

During the reporting period, the Company recorded an operating income of RMB109.863 billion, representing an increase of 32.14% compared with the same period last year (same period last year: RMB83.142 billion).

The table below sets out the sales by product for the six months ended 30 June 2021 and 30 June 2020 respectively:

Item	January – June 2021				January – June 2020					
	Unit price (tax excluded)		Sales volume	Amount (RMB million)	Unit price (tax excluded)		Sales volume	Amount (RMB million)		
Mine-produced gold	352.18	RMB/g	21,241	kg	7,480.72	350.63	RMB/g	19,089	kg	6,693.30
Including: Gold bullion	375.05	RMB/g	12,853	kg	4,820.67	363.08	RMB/g	13,031	kg	4,731.25
Gold concentrate	317.12	RMB/g	8,388	kg	2,660.05	323.86	RMB/g	6,058	kg	1,962.05
Mine-produced copper	53,226	RMB/t	237,809	t	12,657.61	33,440	RMB/t	228,550	t	7,642.74
Including: Copper concentrate	50,013	RMB/t	166,076	t	8,306.02	31,937	RMB/t	164,860	t	5,265.05
Electrodeposited copper	60,451	RMB/t	42,835	t	2,589.39	36,319	RMB/t	37,534	t	1,363.23
Electrolytic copper	60,978	RMB/t	28,899	t	1,762.20	38,784	RMB/t	26,156	t	1,014.46
Mine-produced zinc	13,313	RMB/t	197,626	t	2,630.93	7,480	RMB/t	170,018	t	1,271.76
Mine-produced silver	3.62	RMB/g	162,284	kg	586.84	2.53	RMB/g	142,621	kg	360.79
Iron ore (excluding non-subsidiaries of the Company)	754	RMB/t	1,8554	Mt	1,398.44	619	RMB/t	1,6369	Mt	1,013.26
Refined and processed gold	377.31	RMB/g	127,776	kg	48,210.77	371.13	RMB/g	140,909	kg	52,295.32
Refined copper	59,134	RMB/t	313,090	t	18,514.14	39,440	RMB/t	290,518	t	11,458.10
Refined zinc	19,229	RMB/t	140,878	t	2,708.93	14,697	RMB/t	105,032	t	1,543.66
Others (Note 1)					59,450.09					20,466.97
Less: Internal elimination					-43,775.11					-19,603.64
Total					109,863.36					83,142.26

Note 1: During the reporting period, other sales income mainly included: RMB37.028 billion from trading, RMB1.417 billion from refined and processed silver, RMB1.256 billion from gold products, RMB664 million from copperplate, RMB441 million from copper pipe, RMB189 million from lead concentrate, RMB154 million from cobalt concentrate, RMB151 million from molybdenum concentrate and RMB18.150 billion from other products, intermediary services, other services, etc.

Management Discussion and Analysis *(continued)*

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2. Analysis of costs and gross profit margin

The Group is mainly engaged in mine development, refining and processing. The Group's costs of sales of products mainly includes mining, processing, refining, procurement of mineral products and concentrates, ore transportation costs, raw materials consumption, energy, salaries, depreciation of fixed assets, etc.

The table below sets out details of the unit cost of sales and gross profit margin by product for the six months ended 30 June 2021 and 30 June 2020 respectively (Note 1):

Product name	Unit	Unit cost of sales			Gross profit margin (%)	
		January – June 2021	January – June 2020	Compared with the same period last year (%)	January – June 2021	January – June 2020
Mine-produced gold	RMB/g	182.67	170.64	7.05	48.13	51.33
Including: Gold bullion	RMB/g	195.18	177.13	10.19	47.96	51.22
Gold concentrate	RMB/g	163.50	156.68	4.35	48.44	51.62
Mine-produced copper	RMB/t	18,462	19,279	-4.24	65.31	42.35
Including: Copper concentrate	RMB/t	17,403	18,092	-3.81	65.20	43.35
Electrodeposited copper	RMB/t	18,099	18,573	-2.55	70.06	48.86
Electrolytic copper	RMB/t	25,082	27,770	-9.68	58.87	28.40
Mine-produced zinc	RMB/t	6,762	6,523	3.66	49.20	12.79
Mine-produced silver	RMB/g	1.54	1.35	13.97	57.52	46.72
Iron ore (excluding non-subsidiaries of the Company)	RMB/t	152.71	168.07	-9.14	79.74	72.85
Refined and processed gold	RMB/g	377.29	368.66	2.34	0.005	0.66
Refined copper	RMB/t	56,818	37,981	49.60	3.92	3.70
Refined zinc	RMB/t	18,476	13,576	36.10	3.91	7.63
Overall gross profit margin					14.48	10.98
Overall gross profit margin of mining enterprises					58.54	45.13

Note 1: The gross profit margins by product were calculated based on the figures before eliminating internal sales, and the overall gross profit margins were calculated after eliminating internal sales.

The Group's overall gross profit margin was 14.48%, representing an increase of 3.5 percentage points compared with the same period last year, which was mainly due to the increase in the gross profit of mine-produced copper and mine-produced zinc. Among which, the overall gross profit margin of mining enterprises was 58.54%, representing an increase of 13.41 percentage points compared with the same period last year; the overall gross profit margin of refining enterprises was 1.50%, representing an increase of 0.01 percentage point compared with the same period last year.

Management Discussion and Analysis *(continued)*

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3. Analysis of businesses by region and information on major suppliers and customers

(1) Status of main businesses by region

Over 83% of the Company's operating income was derived from customers in Mainland China, and approximately 40% of the operating income was from the Shanghai Gold Exchange. Therefore, it is not necessary to sort customers by region.

(2) Information on major suppliers and customers

During the reporting period, the Group's total procurement from the top five suppliers amounted to RMB27.830 billion, representing 29.62% of the Group's total procurement amount.

During the reporting period, the Group's total sales income from the top five customers amounted to RMB59.619 billion, representing 54.27% of the Group's total sales income.

4. Table of analysis of changes in relevant items in financial statements

Unit: RMB

Item	Amount for the reporting period	Amount for the same period last year	Percentage change
Operating income	109,863,361,694	83,142,262,114	32.14%
Operating costs	93,957,291,358	74,016,285,931	26.94%
Taxes and surcharges	1,591,363,517	1,186,119,620	34.17%
Selling expenses	219,694,132	330,176,103	-33.46%
Administrative expenses	2,485,704,709	1,825,200,364	36.19%
Financial expenses	751,312,980	918,149,434	-18.17%
Investment income	586,940,233	27,239,648	2,054.73%
Losses on changes in fair value	-149,849,660	-226,816,398	Not applicable
Credit impairment gains/Impairment losses on assets	498,853,334	-210,639,040	Not applicable
(Losses)/Gains on disposal of non-current assets	-898,818	3,157,191	Not applicable
Non-operating income	29,036,845	53,508,572	-45.73%
Non-operating expenses	192,926,830	318,742,296	-39.47%
Income tax expenses	2,559,106,631	1,003,523,337	155.01%
Changes in fair value of other equity instrument investments	1,957,367,225	-421,363,440	Not applicable
Hedging costs – forward elements	1,834,614	-11,860,837	Not applicable
Net cash flows from operating activities	12,025,055,353	6,475,077,168	85.71%
Net cash flows used in investing activities	-12,191,454,840	-16,617,167,924	Not applicable
Net cash flows from financing activities	5,171,988,414	13,219,301,701	-60.88%

Reasons for changes:

- (1) Operating income: Please refer to the above analysis.
- (2) Operating costs: Please refer to the above analysis.
- (3) Taxes and surcharges: Mainly due to the increase in resource tax as a result of the increase in sales income from mineral products.
- (4) Selling expenses: Mainly due to the transportation fees for the reporting period were accounted for as operating costs.
- (5) Administrative expenses: Mainly due to the increase in the number of newly acquired enterprises.

Management Discussion and Analysis *(continued)*

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- (6) Financial expenses: Mainly due to the decrease in interest expenses.
- (7) Investment income: Mainly due to the profitability enhancement of certain associates during the reporting period compared with the same period last year.
- (8) Losses on changes in fair value: Mainly due to the changes in unrealised profit or loss of hedging instruments of refining enterprises compared with the same period last year.
- (9) Credit impairment gains/Impairment losses on assets: Mainly due to the reversal of credit losses for financial guarantee contracts during the reporting period.
- (10) (Losses)/Gains on disposal of non-current assets: Mainly due to the decrease in losses on disposal of fixed assets during the reporting period compared with the same period last year.
- (11) Non-operating income: Mainly due to a larger amount of waiver of debts during the same period last year compared with the reporting period.
- (12) Non-operating expenses: Mainly due to the decrease in losses on write-off of fixed assets during the reporting period compared with the same period last year.
- (13) Income tax expenses: Mainly due to the increase in corporate income tax as a result of increase in profit.
- (14) Changes in fair value of other equity instrument investments: Mainly due to the unrealised gains on the stocks at fair value through other comprehensive income held during the reporting period.
- (15) Hedging costs – forward elements: Due to the implementation of fair value hedge accounting, forward elements were initially recognised in other comprehensive income, and was subsequently amortised and transferred into profit or loss for the period in which hedging relationship affects the profit or loss.
- (16) Net cash flows from operating activities: Mainly due to the substantial growth in operating profit compared with the same period last year.
- (17) Net cash flows used in investing activities: Mainly due to the decrease in payment for mergers and acquisitions compared with the same period last year.
- (18) Net cash flows from financing activities: Mainly due to the decrease in financing increment compared with the same period last year.

As at 30 June 2021, the Group's total borrowings amounted to RMB72.886 billion (31 December 2020: RMB73.003 billion). Among which, the amount repayable within one year was approximately RMB30.080 billion, the amount repayable within one to two years was approximately RMB9.705 billion, the amount repayable within two to five years was approximately RMB25.138 billion, and the amount repayable in more than five years was approximately RMB7.963 billion. The interest rates of all the abovementioned borrowings ranged from 0.33% to 5.282% per annum.

The Group's daily capital requirements and capital expenditures for maintenance can be financed from its internal cash flows. The Group also has loan facilities provided by banks with no restriction on use of approximately RMB174.201 billion.

Management Discussion and Analysis *(continued)*

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Non-recurring profit or loss items and their amounts

Unit: RMB

Non-recurring profit or loss items	Amount	Note (if applicable)
Losses on disposal of non-current assets	-40,626,005	
Government grants recognised in the statement of profit or loss for the current period, except for government grants which are closely related to the Company's normal business operations, and in line with the country's policies, calculated according to certain standards or continuously granted in fixed amount	157,534,876	
Capital utilisation fee received from non-financial enterprises recognised in profit or loss for the current period	339,899,832	
Gains or losses on changes in fair value arising from held for trading financial assets, derivative financial assets, held for trading financial liabilities and derivative financial liabilities, and investment income or losses on disposal of held for trading financial assets, derivative financial assets, held for trading financial liabilities, derivative financial liabilities and other debt investments except for the effective hedging business relating to the Company's normal business operations	-172,764,851	
Non-operating income and expenses other than the aforesaid items	-124,162,798	
Other profit or loss items which meet the definition of non-recurring profit or loss	597,942,388	Including reversal of credit losses for financial guarantee contracts amounting to RMB588,878,419
Impact on the non-controlling interests	-257,417,826	
Impact on income tax	36,022,512	
Total	536,428,128	

Management Discussion and Analysis *(continued)*

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ANALYSIS OF ASSETS AND LIABILITIES

1. Status of assets and liabilities

Unit: RMB

Item	Amount at the end of the reporting period	Proportion to total assets at the end of the reporting period	Amount at the end of 2020	Proportion to total assets at the end of 2020	Percentage change in the amount at the end of the reporting period compared with the amount at the end of 2020
Cash and cash equivalents	17,507,796,458	8.81%	11,955,339,296	6.56%	46.44%
Trade receivables	1,526,031,423	0.77%	1,141,449,611	0.63%	33.69%
Prepayments	2,218,841,874	1.12%	1,410,054,078	0.77%	57.36%
Current portion of non-current assets	16,300,343	0.01%	40,255,087	0.02%	-59.51%
Debt investments	455,157,945	0.23%	255,811,321	0.14%	77.93%
Other equity instrument investments	8,493,172,725	4.28%	6,482,326,358	3.56%	31.02%
Other non-current financial assets	62,500,000	0.03%	37,500,000	0.02%	66.67%
Construction in progress	19,810,398,168	9.97%	15,236,029,582	8.36%	30.02%
Bills payable	517,422,900	0.26%	955,561,056	0.52%	-45.85%
Contract liabilities	832,849,899	0.42%	452,695,891	0.25%	83.98%
Employee benefits payable	903,047,985	0.45%	1,317,467,162	0.72%	-31.46%
Taxes payable	3,033,756,215	1.53%	1,880,291,712	1.03%	61.34%
Other payables	10,711,700,904	5.39%	7,371,403,664	4.04%	45.31%
Other current liabilities	1,216,618,136	0.61%	172,904,917	0.09%	603.63%
Capital reserve	25,097,575,771	12.63%	18,610,084,074	10.21%	34.86%
Treasury shares	463,586,298	0.23%	-	-	Not applicable
Other comprehensive income	2,396,831,713	1.21%	812,570,699	0.45%	194.97%

Other explanations

- (1) Cash and cash equivalents: Mainly due to the cash reserved for profit distribution for 2020.
- (2) Trade receivables: Mainly due to the increase in operating income and the corresponding increase in trade receivables.
- (3) Prepayments: Mainly due to the increase in prepayments for raw material procurement.
- (4) Current portion of non-current assets: Mainly due to receipt of the current portion of equity transfer consideration.
- (5) Debt investments: Mainly due to the increase in time deposits with maturity of more than one year.
- (6) Other equity instrument investments: Mainly due to the unrealised gains on the stocks at fair value through other comprehensive income held during the reporting period.
- (7) Other non-current financial assets: Mainly due to the increase in trust protection fund.
- (8) Construction in progress: Mainly due to the increase in investment in infrastructure and technological upgrade projects of certain subsidiaries.

Management Discussion and Analysis *(continued)*

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- (9) Bills payable: Mainly due to the decrease in the settlement amount of bills for procurement of goods.
- (10) Contract liabilities: Mainly due to increase in advances from sales of goods.
- (11) Employee benefits payable: Mainly due to settlement of the accrued bonus for the previous year.
- (12) Taxes payable: Mainly due to the increase in corporate income tax as a result of increase in profit.
- (13) Other payables: Mainly due to the increase in dividends payable pursuant to the resolution of the shareholders' general meeting.
- (14) Other current liabilities: Mainly due to the increase in issuance of ultra short-term financing bonds during the reporting period.
- (15) Capital reserve: Mainly due to the conversion of the Company's publicly issued A Share convertible corporate bonds into shares.
- (16) Treasury shares: Mainly due to the Company's implementation of the restricted A Share incentive scheme.
- (17) Other comprehensive income: Mainly due to the unrealised gains arising from stocks at fair value through other comprehensive income held during the reporting period.

Gearing ratio

Gearing ratio refers to the proportion of consolidated total liabilities to the consolidated total equity. As at 30 June 2021, the Group's consolidated total liabilities amounted to RMB110,242,902,186 (30 June 2020: RMB90,339,334,762) and the Group's consolidated total equity was RMB88,419,126,847 (30 June 2020: RMB59,465,305,282). As at 30 June 2021, the gearing ratio of the Group was 1.2468 (30 June 2020: 1.5192).

Net current liabilities

	30 June 2021 (Unaudited) RMB	31 December 2020 (Audited) RMB
Current assets	45,646,772,194	39,262,403,933
Less: Current liabilities	51,940,873,090	47,035,701,043
Net current liabilities	(6,294,100,896)	(7,773,297,110)

Total assets less current liabilities

	30 June 2021 (Unaudited) RMB	31 December 2020 (Audited) RMB
Total assets	198,662,029,033	182,313,250,403
Less: Current liabilities	51,940,873,090	47,035,701,043
Total assets less current liabilities	146,721,155,943	135,277,549,360

Management Discussion and Analysis *(continued)*

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2. Details of overseas assets

(1) Asset size

Among which, overseas assets amounted to RMB92.147 billion, representing 46.38% of the total assets.

(2) Relevant information on overseas assets

The Company's overseas assets mainly comprise gold, copper, zinc and other mines operated by the Company, including the Jilau-Taror Gold Mines in Tajikistan, the Paddington Operations in Australia, the Taldybulak Levoberezhny Gold Mine in Kyrgyzstan, the Buriticá Gold Mine in Colombia, the Aurora Gold Mine in Guyana, the Kolwezi Copper and Cobalt Mine in the DR Congo, the Kamoakakula Copper Mine in the DR Congo, the Bor Copper Mine in Serbia, the Čukaru Peki Copper and Gold Mine in Serbia, the Tuva Zinc and Polymetallic Mine in Russia, the Bisha Zinc and Copper Mine in Eritrea, etc.

3. Restrictions in relation to key assets as at the end of the reporting period

- (1) The Company acquired 50.10% equity interest in Julong Copper in Tibet in 2020. In March 2021, Julong Copper in Tibet used the mining rights of the Qulong Copper and Polymetallic Mine and the Zhibula Copper and Polymetallic Mine, the exploration right of Rongmucuola, and certain machinery, equipment and other movable properties as collaterals for a secured syndicated loan from a syndicate formed by seven financial institutions (including the Bank of China Tibet Autonomous Region Branch, Agricultural Bank of China Tibet Autonomous Region Branch, Industrial and Commercial Bank of China Tibet Autonomous Region Branch, China Construction Bank Tibet Autonomous Region Branch, Bank of Tibet Co., Ltd., Industrial Bank Lhasa Branch and Zijin Mining Group Finance Co., Ltd.) in place of the pre-acquisition secured syndicated loan obtained in 2017. As at 30 June 2021, the outstanding balance of the abovementioned secured loan was RMB8.588 billion, and the total assessed value of the assets provided as collaterals was RMB10.123 billion (including fixed assets of RMB607 million and intangible assets of RMB9.516 billion).
- (2) Gold Mountains (H.K.) International Mining Company Limited ("Gold Mountains (H.K.)"), a wholly-owned subsidiary of the Company, pledged the equity interest in Zijin (America) Gold Mining Company Limited ("Zijin America") as a security for a syndicated loan amounted to USD568 million (equivalent to approximately RMB3.706 billion) from China CITIC Bank Fuzhou Branch, China Minsheng Bank Fuzhou Branch, Bank of China Hungarian Branch and China Merchants Bank Hong Kong Branch. As at 30 June 2021, the outstanding balance of the abovementioned pledged loan was USD568 million (equivalent to approximately RMB3.669 billion). The major asset of Zijin America is the Buriticá Gold Mine in Colombia.

Management Discussion and Analysis *(continued)*

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Key non-equity investments

Project name	Project amount	Progress of project	Investment during the reporting period (RMB billion)	Actual accumulated investment (RMB billion)	Project return status
Serbia Zijin Copper technological upgrade (mine + smelter plant) (Note 1)	USD1.778 billion (USD350 million capital increment included)	The installation of the southern-pit facility of the MS Mine technological upgrade project has basically completed, loaded commissioning is expected to begin in the second half of July 2021, and the northern-pit facility is planned to be completed and commence production at the end of December 2021; the construction of the new processing plant of the VK Mine is progressing as scheduled, and it is planned to be completed and commence production at the end of December 2021; the JM Mine completed the variation of project construction plan, the mining and processing scale of the project has been increased from 10 million tonnes/year to 18 million tonnes/year, and key projects such as ramps and shafts are progressing as scheduled; the technological upgrade project of the smelter is progressing as scheduled in general, of which the tailing gas desulphurisation system is planned to be put into use in August 2021, and the new refining system is planned to be put into use at the end of December 2021.	0.575	5.053	After completion of technological upgrade and expansion of the project, the four mines are expected to produce approximately 120 thousand to 150 thousand tonnes of mine-produced copper metal annually, and the smelter plant is expected to produce 180 thousand tonnes of copper metal (with rooms to increase to 200 thousand tonnes).

Management Discussion and Analysis *(continued)*

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Project name	Project amount	Progress of project	Investment during the reporting period (RMB billion)	Actual accumulated investment (RMB billion)	Project return status
Binduli low-grade ore project of Norton	AUD462 million	The project design, application for permits and licences and other preparatory work of the Binduli North heap leaching project have been completed, the construction has commenced in June 2021. Application for permits and licences for Binduli South heap leaching project is being studied and taking place.	0.430	0.623	After completion of all the construction work and upon reaching designated production capacity, approximately 7 tonnes of gold can be produced in peak years.
Additional 1,000 tonnes/day mining, processing and metallurgy technological upgrade project of Buriticá, Continental Gold	USD107 million	Manufacturing and shipment for major equipment and steel structure have been completed, the civil engineering work for technological upgrade of the processing plant has been basically completed, and it is now in the process of installing steel structure and equipment; the construction work for the main ramp and ramp Y has fully started.	0.233	0.241	After completion of technological upgrade and expansion, the annual production volume of gold will be raised from 7.8 tonnes to 9.1 tonnes.
Shanxi Zijin mine intellectualised mining and processing technological upgrade and expansion project	RMB1.442 billion	For shaft and drift development, shaft construction has been completed, while ramps, 890/830/660/610 drifts at the middle section, ore crushing and conveying system are under construction. For land surface facilities, processing plant, tailings storage, filling station, electricity system, dormitory and other facilities are under construction.	0.451	0.641	After construction is completed and designated production capacity is reached, an extra of approximately 3 to 4 tonnes of gold metal can be produced annually.

Management Discussion and Analysis *(continued)*

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Project name	Project amount	Progress of project	Investment during the reporting period (RMB billion)	Actual accumulated investment (RMB billion)	Project return status
Phase 1 of mining and processing project of the Qulong Copper and Polymetallic Mine (Note 2)	RMB16.8 billion	80% of the appearance work of Qulong project's infrastructure has been completed. Semi-automatic milling and ball milling machines no. 3 and 4 have been installed and have entered the testing stage. The major work of other auxiliary facility projects has been basically completed, and equipment installation has fully started.	3.111	12.735	After construction of phase 1 of Qulong project is completed and designated production capacity is reached, an average of approximately 160 thousand tonnes of copper can be produced annually.

- Notes:
1. The construction plan for the technological upgrade project of the JM Mine is varied to the use of natural caving method for mining, and there will be an increase in the mining and processing capacity by 8 million tonnes. The project amount is adjusted to USD1.778 billion.
 2. The Board considered and approved the adjustment of the construction amount of phase 1 of the Qulong project to RMB16.8 billion based on the actual situation.
 3. The exchange rate is based on USD1: RMB6.6 and AUD1: RMB4.77 (guiding foreign exchange rates for compilation of the Company's 2021 mining and excavation plan).
 4. The table does not include investment projects invested by the proceeds raised.

Financial assets measured at fair value

	Abbreviation of stock	Initial investment cost (RMB)	Number of shares held (share)	Book value at the end of the reporting period (RMB)	Changes in owners' equity during the reporting period (RMB)
IVN	Ivanhoe Mines	2,156,509,219	165,412,636	7,712,127,514	1,906,247,157
GAU	Galiano Gold	83,621,056	15,300,000	108,426,940	-3,483,577

Management Discussion and Analysis *(continued)*

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ANALYSIS OF MAJOR SUBSIDIARIES AND ASSOCIATES

Unit: RMB million

		Gold segment				
Company name	Mine	Interest held by the Group	Total assets	Net assets	Operating income	Net profit
Longnan Zijin Mining Co., Ltd.	Liba Gold Mine	84.22%	1,400.89	670.30	759.42	320.53
Hunchun Zijin Mining Co., Ltd.	Shuguang Gold Mine	100%	1,702.48	1,334.38	772.82	317.34
Altynken Limited Liability Company	Taldybulak Levoberezhny Gold Mine	60%	1,849.07	1,187.61	849.66	307.75
Joint Venture Zeravshan Limited Liability Company	Jilau, Taror Gold Mines	70%	2,604.79	123.30	842.20	279.31
Continental Gold Limited Sucursal Colombia	Buriticá Gold Mine	69.28%	6,990.28	2,697.43	1,114.61	152.32
Norton Gold Fields Pty Limited	Paddington Operations	100%	2,924.61	1,916.14	831.52	105.45
Barrick (Niugini) Limited (Note 1)	Porgera Gold Mine	50%	2,547.25	1,313.87	0	-166.13

		Copper segment				
Company name	Mine	Interest held by the Group	Total assets	Net assets	Operating income	Net profit
Zijin Mining Group Company Limited* (Note 2)	Zijinshan Copper Mine	100%	-	-	-	-
La Compagnie Minière de Musonoie Global Société par Actions Simplifiée	Kolwezi Copper Mine	72%	5,018.46	3,217.61	3,550.56	1,420.48
Heilongjiang Duobaoshan Copper Industry Inc.	Duobaoshan Copper Mine	100%	8,277.34	4,809.96	3,297.63	1,278.24
Xinjiang Ashele Copper Co., Ltd.	Ashele Copper Mine	51%	3,124.28	2,182.41	1,404.93	720.01
Serbia Zijin Copper Doo	Bor Copper Mine (JMVK/NC/MS)	63%	12,268.00	5,051.86	3,183.03	773.51

		Zinc segment				
Company name	Mine	Interest held by the Group	Total assets	Net assets	Operating income	Net profit
Bisha Mining Share Company	Bisha Copper and Zinc Mine	55%	4,090.57	3,215.01	1,609.64	377.75
Xinjiang Zijin Zinc Co., Ltd.	Wulagen Lead and Zinc Mine	100%	4,482.01	2,451.81	965.07	367.65
Longxing Limited Liability Company in Russia	Tuva Zinc and Polymetallic Mine	70%	3,194.44	784.52	691.08	160.01
Urad Rear Banner Zijin Mining Co., Ltd.	Miaogou-Sanguikou Lead and Zinc Mine	95%	2,150.78	1,430.85	332.76	40.49

		Refining segment				
Company name	Main product	Interest held by the Group	Total assets	Net assets	Operating income	Net profit
Heilongjiang Zijin Copper Co., Ltd.	Refined copper	100%	4,115.27	1,259.92	5,464.64	167.30
Zijin Copper Co., Ltd.	Refined copper	100%	10,641.10	3,469.19	13,142.49	130.92
Jilin Zijin Copper Co., Ltd.	Refined copper	100%	2,953.17	1,036.04	4,786.30	32.58
Bayannur Zijin Non-ferrous Metals Co., Ltd.	Zinc bullion	87.2%	2,557.50	1,469.06	2,219.49	124.66

Management Discussion and Analysis *(continued)*

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

Unit: RMB million

Company name	Main product	Other segments		Total assets	Net assets	Operating income	Net profit
		Interest held by the Group					
Xinjiang Jinbao Mining Co., Ltd.	Iron ore	56%		2,221.30	1,348.39	1,381.55	792.19
Fujian Makeng Mining Co., Ltd.	Iron ore	41.5%		4,860.48	1,825.78	1,451.08	598.07

Notes:

1. The data of Barrick (Niugini) Limited is on equity basis;
2. Zijinshan is a branch of the Company and not separately reported.

Other disclosures

Possible risks

1. The prevention and control of the COVID-19 pandemic and viral mutations have intensified the uncertainty in terms of the global economic recovery, which may give rise to financial and economic risks. There is a potential risk of price fluctuation in major metals operated by the Company.
2. There are relatively large development gaps among the countries where the Company's overseas investment projects are located. Geopolitical risks may exist in individual countries or regions to a certain extent.
3. The implementation of decarbonisation policies in global and domestic context is accelerating. More policy restrictions related to environmental, social and governance may be imposed.

Information on progress of business plan

1. Industry situation and trends

The world is faced with profound and unprecedented changes in a century. The COVID-19 pandemic has a far-reaching impact on global economic development. Compounded by instability in global economic recovery, aggravation of imbalance, loose monetary policies and stagflation, a new round of crisis may take shape to a certain degree. Nevertheless, international institutions tend to be optimistic about the global economic outlook, the World Bank projects a 5.6% growth in global economies this year. China is now at a critical juncture for achieving the "Two Centenaries" goal. Being the world's largest market for base metals, China consumes around 40%-50% of the world's metals, indicating the massiveness of its market size and the robust potential of its domestic demand.

The status of the mining industry as a foundation for national economic development has been further solidified. Investments in infrastructure and manufacturing industries as well as consumables will be the main drivers of economic recovery. In addition, with the intractable excessive liquidities of US dollars and tight supply-and-demand situation, worldwide decarbonisation and the continued implementation of the "2030/2060" goals and progress in China, as well as the ever-increasing pace of development of new energy and new material application technologies, the prices of bulk commodities are expected to remain high and volatile.

Management Discussion and Analysis *(continued)*

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

2. Projections for the trends of key metal products

Gold: Global economic recovery and employment in major economies such as Europe and the United States have fallen short of expectations. The Federal Reserve and major central banks maintain accommodative monetary policies. Given the inflation bubble, currency devaluation and potential fluctuation in the global financial markets, gold price is expected to remain volatile at high levels.

Copper: The global manufacturing PMI recovers beyond expectation; emphasis continues to be placed on “dual-carbon policies”. Clean energy and electric vehicle industries, as well as battery energy storage industry are thriving. As both traditional and emerging copper demands are presenting positive signs, both supply and demand of copper are booming. It is expected that copper price will rally at high levels.

Zinc, silver and iron: As industrial metals, zinc and silver continue to pick up in demand. The short-term tension on the supply side is difficult to ease significantly, and prices are expected to fluctuate at high levels. As a ferrous metal, iron ore will have a strong short-term demand that supports its price to boom. After the ease of supply side in mid- to long-term, iron ore price is expected to revert.

New materials and new energy: The global “dual-carbon policy” has driven continuous changes in the resource consumption structure and wealth structure. China’s first carbon emissions trading market has been launched in July 2021. The country is accelerating the development of a green, low-carbon and circular economic system. Demands for copper, lithium, cobalt, platinum group and other metals essential for the transition to clean energy are expected to rise substantially.

3. Specific business strategies for the second half of 2021

(1) Leverage on the growth momentum and strive to complete production and operation targets and tasks

The Company shall normalise pandemic prevention and control, seize the market opportunities, take resolute and effective measures to maintain its explosive growth momentum, strive to increase both production and operation volumes and prices. The Company shall focus on propelling major projects to commence production and reach designated production capacity. The key mineral product increment projects for the second half of 2021 include:

- ① Phase 1 of stage one of the Kamoakakula Copper Mine in the DR Congo is expected to produce an extra of approximately 40,000 tonnes of copper on equity basis;
- ② The trial production of the Upper Zone of the Čukaru Peki Copper and Gold Mine in Serbia is expected to produce an extra of approximately 40,000 tonnes of copper and 2 tonnes of gold;
- ③ After each of the two production lines of the processing plant with a capacity of 40,000 tonnes/day has completed construction for technological upgrade and commenced production, Serbia Zijin Copper is expected to produce an extra of approximately 10,000 to 20,000 tonnes of copper;
- ④ Actively promote the resumption of production of the Porgera Gold Mine in Papua New Guinea, to contribute to the gold production volume and profitability of the Company.

In the meantime, the Company shall further ensure the Buriticá Gold Mine in Colombia, the Aurora Gold Mine in Guyana, Guizhou Zijin, Shanxi Zijin, etc., to deliver new incremental contribution. It shall make every effort to increase the production volumes of mine-produced zinc, silver and iron ore. It shall also stimulate the advantages of the extended industrial chain, and unite the forces of refining and processing as well as materials, construction, logistics, technology, trade finance and other sectors.

Management Discussion and Analysis *(continued)*

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

(2) Actively seize opportunities and accelerate the transformation of resource advantages to economic and social benefits

The Company shall further expedite the construction and commencement of production of major projects, fully carry out the construction of the mining and processing project of phase 2 of stage one of the Kamoa-Kakula Copper Mine in the DR Congo, and push for the start of stage two of the project; strive to realise the commencement of production of phase 1 of Julong Copper in Tibet by the end of the year; commence some of the key constructions of the Lower Zone of the Čukaru Peki Copper and Gold Mine in Serbia, phase 2 of Julong Copper in Tibet, etc., in an orderly manner. The Company shall improve the quality and efficiency of a number of technological upgrade and expansion projects such as Serbia Zijin Copper, the Buriticá Gold Mine in Colombia, the Aurora Gold Mine in Guyana, Norton in Australia, the Tongshan Copper Mine in Heilongjiang, Shanxi Zijin and Guizhou Zijin. The Company shall further enhance mining engineering technology development and management capability, and improve the study, development and application of natural caving method in the domestic and overseas underground mines such as the JM Copper Mine, the Čukaru Peki Copper and Gold Mine, the Luoboling Copper Mine and the Tongshan Copper Mine.

(3) Plan ahead and fully develop and support the globalised growth drivers

In accordance with the Five-Year (2+3) Plan and Development Goals for 2030, the Company shall intensify its efforts in self-initiated prospecting, exploration and resources merger and acquisition, and actively seek opportunities for merger and acquisition of large and medium-sized companies which have a great strategic significance to substantially increase mineral resources reserves. Grasping the global development directions of new energy and new materials, the Company shall use its projects as carriers and technology as the guide to involve itself from a high level and a high starting point, and promote the implementation of development strategy of the new energy and new material industries step by step. The Company shall also explore key minerals related to new energy and new materials in order to expand its rooms of development and build a new incremental field.

(4) Deepen reform and accelerate the development of a globalised operation and management system with Zijin characteristics

The Company shall make use of global insight and vision, market thinking and power to fully promote system reform and workflow reengineering, forming a globalised operation and management system that features “streamlining, compliance and efficiency”. The Company shall strengthen the application of Zijin’s distinctive mining engineering management model of “integrating five ore treatment processes into one”, and elevate comprehensive planning and budget management, production and operation management to a higher and more refined development. The Company shall also use efficiency improvement and value creation as standard of measurement, improve the technical service capacity of the information platform, establish a process-oriented organisation, stimulate the vitality of the organisation and employees, and ensure that the Company remains vigorous.

(5) Leverage on strengths to empower itself and attach great importance to value multiplication effect enabled by the capital market

The Company shall continue to improve the quality of itself as a listed company, deeply connect with domestic and foreign capital markets, make full use of capital platform to provide capital safeguard for the Company’s sustainable development and create new value for shareholders and investors. The Company shall simultaneously improve capital, asset and risk management capabilities, strengthen investor relations maintenance; establish the supporting high-level financial, trade and logistics platforms.

Management Discussion and Analysis *(continued)*

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

(6) Benchmark internationally to develop Zijin's globalised sustainable development model

The Company shall develop an ESG governance system with Zijin's characteristics, further improve key performance, and enhance the Company's sustainable development capacity to participate in global mining competition. The Company shall promote the in-depth integration of ESG standards and its operating systems, and implement "carbon reduction" measures by benchmarking against key national indicators. The Company shall be highly vigilant on safety and environmental protection, continuously improve the level of intrinsic safety and create a new type of green ecological mines and green factories which meet international standards. The Company shall promote the concept of "co-development", so that more people can benefit from the existence of Zijin. The Company shall also strengthen supervision and anti-corruption work to build an interdependent and co-existent "close and clean" ecology with related parties.

(7) Create value and fully cultivate an internationalised talent team of high calibre

The Company shall implement globalised and diversified employment policies, cultivate and introduce internationalised talents who have knowledge in management, technology, foreign languages and are down to earth. The Company shall strengthen the training and use of local and foreign technical and management staff of its projects to address the lack of professionals in the fields of mining, electrical and mechanical, new materials, new energy and so on, in order to achieve the goal of "double 50s" in talent structure steadily and quickly. The Company shall strengthen the assessment system which is based on market standard, provide a fast track of growth for outstanding core employees and industrial workers who are ambitious to work at the frontline in overseas countries. The Company shall also implement humanistic care to enhance the sense of belonging, gain and happiness of the employees.

Share Capital and Shareholders

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

Details of the Company's issued ordinary shares (with par value of RMB0.1 each) as at 30 June 2021 are set out in Note V.40 to the financial statements.

SHAREHOLDINGS OF TOP TEN SHAREHOLDERS

As at 30 June 2021, the Company has a total of 821,018 shareholders, out of which 627 are H Shareholders and 820,391 are holders of domestic shares. By approximate percentage of shareholding in the share capital, the shareholdings of the Company's top ten shareholders are as follows:

	Name of shareholders	Class of shares	Number of shares held	Approximate percentage of shareholding in the share capital
1.	Minxi Xinghang State-owned Assets Investment Co., Ltd. (Note 1)	Domestic shares	6,083,517,704	23.11%
2.	HKSCC Nominees Limited (Note 2)	H Shares	5,720,318,580	21.73%
3.	Hong Kong Securities Clearing Company Limited (Note 3)	Domestic shares	855,867,802	3.25%
4.	China Securities Finance Corporation Limited	Domestic shares	691,190,770	2.63%
5.	Perseverance Asset Management L.L.P. – Gaoyi Xiaofeng No. 2 Zhixin Fund	Domestic shares	483,117,204	1.84%
6.	Industrial Bank Company Limited – Xingquan Trend Investment Mixed Securities Investment Fund	Domestic shares	338,575,657	1.29%
7.	China Foreign Economy and Trade Trust Co., Ltd. – Foreign Trade Trust – Gaoyi Xiaofeng Hongyuan Collective Fund Trust Scheme	Domestic shares	222,202,589	0.84%
8.	Central Huijin Asset Management Ltd.	Domestic shares	191,694,700	0.73%
9.	Industrial Bank Company Limited – Xingquan New Vision Flexible-configuration Regular Open-end Mixed Securities Investment Seed Fund	Domestic shares	181,698,224	0.69%
10.	National Social Security Fund 114	Domestic shares	178,000,000	0.68%

Notes:

- 208,484,145 domestic shares of the Company held by Minxi Xinghang State-owned Assets Investment Co., Ltd. have to be transferred to National Council for Social Security Fund, the PRC, that part of the stock is frozen.
- HKSCC Nominees Limited held 5,720,318,580 H Shares in the Company as a nominee, representing an aggregate of approximately 21.73% of the Company's issued shares. HKSCC Nominees Limited is a member of the Central Clearing and Settlement System, which carries out securities registration and custodian business for customers.
- Hong Kong Securities Clearing Company Limited held 855,867,802 domestic shares in the Company as a nominee, representing an aggregate of approximately 3.25% of the Company's issued shares. Hong Kong Securities Clearing Company Limited is a member of the Central Clearing and Settlement System, which carries out securities registration and custodian business for customers.

Share Capital and Shareholders *(continued)*

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

SUBSTANTIAL SHAREHOLDERS

So far as the Directors are aware, as at 30 June 2021, the interests and long/short positions of shareholders (except the Directors, Supervisors and chief executive of the Company) in the shares or underlying shares of the Company which will be required, pursuant to Section 336 of the SFO, to be entered into the register referred to therein, or required to be notified to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO are as follows:

Name of shareholders	Class of shares	Number of shares	Approximate percentage in the total number of issued shares	Approximate percentage of shareholding in the total number of issued domestic shares	Approximate percentage of shareholding in the total number of issued H Shares	Long/Short positions
Minxi Xinghang State-owned Assets Investment Co., Ltd.	Domestic shares	6,083,517,704	23.11%	29.55%	-	Long
State Street Bank & Trust Company	H Shares	380,193,165 (Note 1)	1.44%	-	6.63%	Lending pool
BlackRock, Inc.	H Shares	359,577,313 (Note 2)	1.37%	-	6.27%	Long
BlackRock, Inc.	H Shares	2,360,000 (Note 2)	0.01%	-	0.04%	Short
Van Eck Associates Corporation	H Shares	343,774,361 (Note 3)	1.31%	-	5.99%	Long
VanEck Vectors ETF – VanEck Vectors Gold Miners ETF	H Shares	287,000,000 (Note 4)	1.09%	-	5.00%	Long

Notes:

- (1) State Street Bank & Trust Company held 380,193,165 H Shares (lending pool) of the Company (representing approximately 6.63% of the total issued H Shares of the Company).

According to the disclosure of interest notice filed by State Street Bank & Trust Company on 23 March 2021, the following interests were held by State Street Bank & Trust Company in the following capacity:

Capacity	Number of shares
Approved lending agent	Long position 380,193,165

Further information in relation to interests of corporations controlled by State Street Bank & Trust Company:

Name of controlled corporation	Address and place of incorporation	Name of controlling person	% control	Direct interest (Y/N)	Number of shares
State Street Bank & Trust Company	1 Lincoln Street, Boston, Massachusetts, 02111 USA	State Street Corporation	100.00	Y Long position	380,193,165

Share Capital and Shareholders *(continued)*

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- (2) BlackRock, Inc. held 359,577,313 H Shares (long position) of the Company (representing approximately 6.27% of the total issued H Shares of the Company) and 2,360,000 H Shares (short position) of the Company (representing approximately 0.04% of the total issued H Shares of the Company).

According to the disclosure of interest notice filed by BlackRock, Inc. on 2 July 2021, the following interests were held by BlackRock, Inc. in the following capacity:

Capacity	Number of shares
Interest of corporation controlled by BlackRock, Inc.	359,577,313
	2,360,000

Further information in relation to interests of corporations controlled by BlackRock, Inc.:

Name of controlled corporation	Address and place of incorporation	Name of controlling person	% control	Direct interest (Y/N)	Number of shares
Trident Merger, LLC	1209 Orange Street, Wilmington DE 19801, United States (Delaware, USA)	BlackRock, Inc.	100.00	N Long position Short position	2,532,250 32,000
BlackRock Investment Management, LLC	1209 Orange Street, Wilmington, New Castle County, Delaware 19801, United States (Delaware, USA)	Trident Merger, LLC	100.00	N Long position	168,000
BlackRock Investment Management, LLC	1209 Orange Street, Wilmington, New Castle County, Delaware 19801, United States (Delaware, USA)	Trident Merger, LLC	100.00	Y Long position Short position	2,364,250 32,000
BlackRock Holdco 2, Inc.	1209 Orange Street, Wilmington DE 19801, United States (Delaware, USA)	BlackRock, Inc.	100.00	N Long position Short position	357,045,063 2,328,000
BlackRock Financial Management, Inc.	1209 Orange Street, Wilmington, New Castle County, Delaware 19801, United States (Delaware, USA)	BlackRock Holdco 2, Inc.	100.00	N Long position Short position	353,540,063 2,156,000
BlackRock Financial Management, Inc.	1209 Orange Street, Wilmington, New Castle County, Delaware 19801, United States (Delaware, USA)	BlackRock Holdco 2, Inc.	100.00	Y Long position Short position	3,505,000 172,000
BlackRock Holdco 4, LLC	1209 Orange Street, Wilmington DE 19801, United States (Delaware, USA)	BlackRock Financial Management, Inc.	100.00	N Long position Short position	188,983,337 1,864,000
BlackRock Holdco 6, LLC	1209 Orange Street, Wilmington DE 19801, United States (Delaware, USA)	BlackRock Holdco 4, LLC	90.00	N Long position Short position	188,983,337 1,864,000
BlackRock Delaware Holdings Inc.	1209 Orange Street, Wilmington, New Castle County, Delaware 19801, United States (Delaware, USA)	BlackRock Holdco 6, LLC	100.00	N Long position Short position	188,983,337 1,864,000
BlackRock Institutional Trust Company, National Association	1225 17th Street, Suite 300, Denver, CO 80202 (Colorado, USA)	BlackRock Delaware Holdings Inc.	100.00	Y Long position Short position	60,022,337 1,864,000
BlackRock Fund Advisors	400 Howard Street San Francisco, CA 94105, United States (California, USA)	BlackRock Delaware Holdings Inc.	100.00	Y Long position	128,961,000
BlackRock Capital Holdings, Inc.	1209 Orange Street, Wilmington, New Castle County, Delaware 19801, United States (Delaware, USA)	BlackRock Financial Management, Inc.	100.00	N Short position	192,000
BlackRock Advisors, LLC	1209 Orange Street, Wilmington, New Castle County, Delaware 19801, United States (Delaware, USA)	BlackRock Capital Holdings, Inc.	100.00	Y Short position	192,000

Share Capital and Shareholders *(continued)*

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

Name of controlled corporation	Address and place of incorporation	Name of controlling person	% control	Direct interest (Y/N)	Number of shares
BlackRock International Holdings, Inc.	1209 Orange Street, Wilmington, New Castle County, Delaware 19801, United States (Delaware, USA)	BlackRock Financial Management, Inc.	100.00	N Long position Short position	164,556,726 100,000
BR Jersey International Holdings L.P.	13 Castle Street, St. Helier, Jersey, Channel Islands JE4 5UT (Jersey)	BlackRock International Holdings, Inc.	86.00	N Long position Short position	164,556,726 100,000
BlackRock Lux Finco S.à r.l.	1st Floor, 35a Avenue J.F. Kennedy, L-1855 Luxembourg	BlackRock HK Holdco Limited	100.00	N Long position	34,305,525
BlackRock Japan Holdings GK	Marunouchi Trust Tower Main, 1-8-3 Marunouchi, Chiyoda-ku, Tokyo 100-8217 (Japan)	BlackRock Lux Finco S.à r.l.	100.00	N Long position	34,305,525
BlackRock Japan Co., Ltd.	Marunouchi Trust Tower Main, 1-8-3 Marunouchi, Chiyoda-ku, Tokyo 100-8217 (Japan)	BlackRock Japan Holdings GK	100.00	Y Long position	34,305,525
BlackRock Holdco 3, LLC	1209 Orange Street, Wilmington DE 19801, United States (Delaware, USA)	BR Jersey International Holdings L.P.	100.00	N Long position Short position	123,077,948 98,000
BlackRock Canada Holdings LP	161 Bay Street, Suite 2500, Toronto, Ontario M5J 2S1, Canada (Ontario, Canada)	BlackRock Holdco 3, LLC	99.90	N Long position	592,000
BlackRock Canada Holdings ULC	161 Bay Street, Suite 2500, Toronto, Ontario M5J 2S1, Canada (Ontario, Canada)	BlackRock Canada Holdings LP	100.00	N Long position	592,000
BlackRock Asset Management Canada Limited	161 Bay Street, Suite 2500, Toronto, Ontario M5J 2S1, Canada (Ontario, Canada)	BlackRock Canada Holdings ULC	100.00	Y Long position	592,000
BlackRock Australia Holdco Pty. Ltd.	Level 37 Chifley Tower, 2 Chifley Square, Sydney NSW 2000	BR Jersey International Holdings L.P.	100.00	N Long position Short position	2,776,000 2,000
BlackRock Investment Management (Australia) Limited	Level 37 Chifley Tower, 2 Chifley Square, Sydney NSW 2000	BlackRock Australia Holdco Pty. Ltd.	100.00	Y Long position Short position	2,776,000 2,000
BlackRock (Singapore) Holdco Pte. Ltd.	20 Anson Road #18-01 079912 Singapore (Singapore)	BR Jersey International Holdings L.P.	100.00	N Long position	38,702,778
BlackRock HK Holdco Limited	13th Floor, One Pacific Place, 88 Queensway, Hong Kong (Hong Kong)	BlackRock (Singapore) Holdco Pte. Ltd.	100.00	N Long position	38,414,778
BlackRock Asset Management North Asia Limited	15/F, 16/F, 17/F Champion Tower & 17/F ICBC Tower, 3 Garden Road, Central, Hong Kong	BlackRock HK Holdco Limited	100.00	Y Long position	4,109,253
BlackRock Cayman 1 LP	c/o Walkers Corporate Limited, Cayman Corporate Centre, 27 Hospital Road, George Town, Grand Cayman KY1-9008	BlackRock Holdco 3, LLC	100.00	N Long position Short position	122,485,948 98,000
BlackRock Cayman West Bay Finco Limited	c/o Walkers Corporate Limited, Cayman Corporate Centre, 27 Hospital Road, George Town, Grand Cayman KY1-9008	BlackRock Cayman 1 LP	100.00	N Long position Short position	122,485,948 98,000
BlackRock Cayman West Bay IV Limited	c/o Walkers Corporate Limited, Cayman Corporate Centre, 27 Hospital Road, George Town, Grand Cayman KY1-9008	BlackRock Cayman West Bay Finco Limited	100.00	N Long position Short position	122,485,948 98,000

Share Capital and Shareholders *(continued)*

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

Name of controlled corporation	Address and place of incorporation	Name of controlling person	% control	Direct interest (Y/N)	Number of shares
BlackRock Group Limited	12 Throgmorton Avenue. London, EC2N 2DL, United Kingdom (England & Wales, United Kingdom)	BlackRock Cayman West Bay IV Limited	90.00	N Long position Short position	122,485,948 98,000
BlackRock Finance Europe Limited	12 Throgmorton Avenue. London, EC2N 2DL, United Kingdom (England & Wales, United Kingdom)	BlackRock Group Limited	100.00	N Long position	42,078,945
BlackRock (Netherlands) B.V.	Rembrandt Tower, 17th floor, Amstelplein, Amsterdam Netherlands (Amsterdam, Netherlands)	BlackRock Finance Europe Limited	100.00	Y Long position	31,992,439
BlackRock Advisors (UK) Limited	12 Throgmorton Avenue. London, EC2N 2DL, United Kingdom (England & Wales, United Kingdom)	BlackRock Finance Europe Limited	100.00	Y Long position	50,000
BlackRock International Limited	Exchange Place One, 1 Semple Street, Edinburgh, EH3 8BL, United Kingdom (Scotland, United Kingdom)	BlackRock Group Limited	100.00	N Long position	3,980,726
BlackRock Group Limited-Luxembourg Branch	35 A, avenue J.F. Kennedy L-1855 Luxembourg	BlackRock Group Limited	100.00	N Long position Short position	76,426,277 98,000
BlackRock Luxembourg Holdco S.à r.l.	35 A, avenue J.F. Kennedy L-1855 Luxembourg	BlackRock Group Limited-Luxembourg Branch	100.00	N Long position Short position	76,426,277 98,000
BlackRock Investment Management Ireland Holdings Limited	1st Floor, 2 Ballsbridge Park, Ballsbridge, Dublin 4, D04 YW83, Ireland	BlackRock Luxembourg Holdco S.à r.l.	100.00	N Long position	75,912,277
BlackRock Asset Management Ireland Limited	1st Floor, 2 Ballsbridge Park, Ballsbridge, Dublin 4, D04 YW83, Ireland	BlackRock Investment Management Ireland Holdings Limited	100.00	Y Long position	75,912,277
BLACKROCK (Luxembourg) S.A.	35 A, avenue J.F. Kennedy L-1855 Luxembourg	BlackRock Luxembourg Holdco S.à r.l.	100.00	Y Long position Short position	490,000 98,000
BlackRock Investment Management (UK) Limited	12 Throgmorton Avenue. London, EC2N 2DL, United Kingdom (England & Wales, United Kingdom)	BlackRock Finance Europe Limited	100.00	N Long position	4,017,078
BlackRock Investment Management (UK) Limited	12 Throgmorton Avenue. London, EC2N 2DL, United Kingdom (England & Wales, United Kingdom)	BlackRock Finance Europe Limited	100.00	Y Long position	6,019,428
BlackRock Fund Managers Limited	12 Throgmorton Avenue. London, EC2N 2DL, United Kingdom (England & Wales, United Kingdom)	BlackRock Investment Management (UK) Limited	100.00	Y Long position	4,017,078
BlackRock Life Limited	12 Throgmorton Avenue. London, EC2N 2DL, United Kingdom (England & Wales, United Kingdom)	BlackRock International Limited	100.00	Y Long position	3,980,726
BlackRock (Singapore) Limited	20 Anson Road #18-01 079912 Singapore (Singapore)	BlackRock (Singapore) Holdco Pte. Ltd.	100.00	Y Long position	288,000
BlackRock UK Holdco Limited	12 Throgmorton Avenue. London, EC2N 2DL, United Kingdom (England & Wales, United Kingdom)	BlackRock Luxembourg Holdco S.à r.l.	100.00	N Long position	24,000

Share Capital and Shareholders *(continued)*

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

Name of controlled corporation	Address and place of incorporation	Name of controlling person	% control	Direct interest (Y/N)	Number of shares
BlackRock Asset Management Schweiz AG	Bahnhofstrasse 39 8001 Zurich, Switzerland (Switzerland)	BlackRock UK Holdco Limited	100.00	Y Long position	24,000
EG Holdings Blocker, LLC	251 Little Falls Dr, Wilmington, DE 19808-1674	BlackRock Investment Management, LLC	100.00	N Long position	168,000
Amethyst Intermediate, LLC	251 Little Falls Dr, Wilmington, DE 19808-1674	BlackRock Investment Management, LLC	100.00	N Long position	168,000
Aperio Holdings, LLC	251 Little Falls Dr, Wilmington, DE 19808-1674	Amethyst Intermediate, LLC	60.00	N Long position	168,000
Aperio Holdings, LLC	251 Little Falls Dr, Wilmington, DE 19808-1674	EG Holdings Blocker, LLC	40.00	N Long position	168,000
Aperio Group, LLC	2710 Gateway Oaks Drive, Suite 150N, Sacramento, CA 95833-3505	Aperio Holdings, LLC	100.00	Y Long position	168,000

Further information in respect of derivative interests:

	Number of shares
Unlisted derivatives – Cash settled	
	Long position
	Short position
	458,000
	510,000

- (3) VanEck Vectors ETF – VanEck Vectors Gold Miners ETF is managed by Van Eck Associates Corporation. Van Eck Associates Corporation is deemed to be interested in 343,744,361 H Shares (long position) of the Company (representing approximately 5.99% of the total issued H Shares of the Company).
- (4) VanEck Vectors ETF – VanEck Vectors Gold Miners ETF held 287,000,000 H Shares (long position) of the Company (representing approximately 5.00% of the total issued H Shares of the Company).

Save as disclosed above and so far as the Directors are aware, as at 30 June 2021, no other person (other than the Directors, Supervisors or chief executive of the Company) had an interest or short position in the Company's shares, underlying shares or debentures (as the case may be) which would fall to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO and as recorded in the register required to be kept under Section 336 of the SFO, or was otherwise a substantial shareholder (as defined in the Listing Rules) of the Company.

Based on register of members and other published information, the Directors consider that the Company has complied with the Listing Rules in relation to the relevant requirements of minimum public shareholding.

Disclosure of Interests and Short Positions of the Directors, Supervisors and Chief Executive

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

As at 30 June 2021, the interests and short positions of the Directors, Supervisors and chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which the Directors, Supervisors and chief executive of the Company are taken or deemed to have under such provisions of the SFO); (b) were required, pursuant to section 352 of the SFO to be entered into the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), to be notified to the Company and the Hong Kong Stock Exchange are as follows:

Shareholdings of the Directors, Supervisors and chief executive of the Company as at 30 June 2021 are as follows:

Director	Class of shares	Number of shares	Nature of interest	Long/Short position	Approximate percentage of shareholding in the same class of securities	Approximate percentage of shareholding in the registered capital
Chen Jinghe	Domestic shares	63,100,000	Personal	Long position	0.31%	0.24%
	H Shares	20,000,000	Personal	Long position	0.35%	0.08%
	Total	83,100,000	Personal	Long position		0.32%
Lan Fusheng	Domestic shares	8,480,510	Personal	Long position	0.04%	0.03%
Zou Laichang	Domestic shares	2,723,050	Personal	Long position	0.01%	0.01%
Lin Hongfu	Domestic shares	1,728,938	Personal	Long position	0.01%	0.01%
Lin Hongying	Domestic shares	977,000	Personal	Long position	0.01%	0.01%
Xie Xionghui	Domestic shares	905,571	Personal	Long position	0.01%	0.01%

Supervisor	Class of shares	Number of shares	Nature of interest	Long/short position	Approximate percentage of shareholding in the same class of securities	Approximate percentage of shareholding in the registered capital
Lin Shuiqing	Domestic shares	300,000	Personal	Long position	0.01%	0.01%
Liu Wenhong	Domestic shares	26,450	Personal	Long position	0.01%	0.01%
	H Shares	10,000	Personal	Long position	0.01%	0.01%
	Total	36,450	Personal	Long position		0.01%
Cao Sanxing	Domestic shares	124,000	Personal	Long position	0.01%	0.01%

Disclosure of Interests and Short Positions of the Directors, Supervisors and Chief Executive *(continued)*

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

Changes in the number of shares held by the existing Directors and Supervisors and those resigned during the reporting period

Unit: Share

Name	Position	Number of shares held as at the beginning of the reporting period	Number of shares held as at the end of the reporting period	Changes in the number of shares during the reporting period	Reasons for the changes
Chen Jinghe	Director	82,000,000	83,100,000	1,100,000	Implementation of share incentive scheme
Lan Fusheng	Director	7,730,510	8,480,510	750,000	Implementation of share incentive scheme
Zou Laichang	Director	1,623,050	2,723,050	1,100,000	Implementation of share incentive scheme
Lin Hongfu	Director	978,938	1,728,938	750,000	Implementation of share incentive scheme
Lin Hongying	Director	227,000	977,000	750,000	Implementation of share incentive scheme
Xie Xionghui	Director	149,000	905,571	756,571	Implementation of share incentive scheme, conversion of A Share convertible corporate bonds

Details of share incentives granted to the Directors and Supervisors during the reporting period

Unit: Share

Name	Position	Number of restricted A Shares held as at the beginning of the reporting period	Number of restricted A Shares newly granted during the reporting period	Shares		Number of restricted A Shares held as at the end of the reporting period
				unlocked	yet unlocked	
Chen Jinghe	Director	0	1,100,000	0	1,100,000	1,100,000
Lan Fusheng	Director	0	750,000	0	750,000	750,000
Zou Laichang	Director	0	1,100,000	0	1,100,000	1,100,000
Lin Hongfu	Director	0	750,000	0	750,000	750,000
Lin Hongying	Director	0	750,000	0	750,000	750,000
Xie Xionghui	Director	0	750,000	0	750,000	750,000

Save as disclosed above, none of the Directors, Supervisors and chief executive of the Company or their associates have any interest or short position in the shares, underlying shares or debentures of the Company or its associated corporations (as defined in the SFO) during the reporting period. None of the Directors, Supervisors and chief executive of the Company or their spouse or children under the age of 18 is holding any option to subscribe shares, underlying shares or debentures of the Company, or has exercised any such option.

Save as disclosed above, no arrangement has been entered into between the Company or its holding company or its subsidiaries during any time during the reporting period, which will allow the Directors, Supervisors and chief executive of the Company to be benefited by acquiring the shares, underlying shares or debentures of the Company or other body corporates.

Others

*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)***STAFF OF THE COMPANY AND ITS MAJOR SUBSIDIARIES****Staff**

Number of current staff of the Company	2,208
Number of current staff of the major subsidiaries	37,967
Total number of current staff	40,175
Staff of domestic enterprises	20,559
Staff of overseas enterprises	19,616
Including: Chinese staff of overseas enterprises	1,213
Number of retired staff at the Company's and its major subsidiaries' expense	414

Profession structure

Classification by specialisation of Chinese staff	Number of specialised staff
Production	8,617
Sales	172
Technical	7,251
Finance	587
Administration	5,145
Total	21,772

Education level

Classification by education level of Chinese Staff	Number of staff
Doctoral degree	55
Master's degree	780
Bachelor's degree	4,584
Other tertiary education	4,953
Secondary school or below	11,400
Total	21,772

Notes:

1. The sub-categories of profession structure and education level cover the staff of domestic enterprises and Chinese staff of overseas enterprises;
2. Administration staff includes operational staff, administrative staff, supporting staff and other management assistance staff of functional departments other than technical staff.

The Group pursued the "people-oriented" human resources management policy, adhered to the concept of "fair competition, survival of the outstanding ones and dismissal of the unfitted ones, promoting strengths and improving weaknesses of staff and allowing them to perform their best in the right positions" for talents, actively promoted the reform of human resources-related systems, perfected the normative system comprising three main salary systems in parallel policies, namely annual salary system, negotiable salary system and structured salary system, as well as the collaborative human resources management and control system of the Group and its subsidiaries. The recruitment, training, appraisal and remuneration management systems of human resources were further optimised.

Others *(continued)**(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)***SIGNIFICANT MATTERS**

Details of the shareholders' general meetings

Session of meeting	Convening date	Index of the designated website publishing the resolutions	Date of publishing the resolutions	Resolutions of the meetings
The third H Shareholders' class meeting in 2020	11 January 2021	http://www.hkexnews.hk/	11 January 2021	For details, please refer to the Resolutions Passed at the Third H Shareholders' Class Meeting in 2020 of the Company disclosed on HKEXnews website (http://www.hkexnews.hk) dated 11 January 2021
2020 annual general meeting	28 May 2021	http://www.hkexnews.hk/	28 May 2021	For details, please refer to the Resolutions Passed at the 2020 Annual General Meeting of the Company disclosed on HKEXnews website (http://www.hkexnews.hk) dated 28 May 2021

Plan for profit distribution or conversion of capital reserve into share capital**Proposed plan for profit distribution or conversion of capital reserve into share capital for the half year**

Profit distribution or conversion into share capital	N/A
Bonus shares for every 10 shares (share)	0
Dividend for every 10 shares (RMB) (tax included)	0
Capital conversion for every 10 shares (share)	0
Explanation on plan for profit distribution or conversion of capital reserve into share capital	
Not applicable	

Others *(continued)*

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

Details of share incentive scheme, employee stock ownership scheme or other employee incentive measures of the Company and their impacts

The relevant share incentive related matters which have been published in provisional announcements and without further progress or changes in subsequent implementation

Summary of the event	Index for details
<p>The Company completed the registration of shares under the first grant of the restricted A Share incentive scheme at China Securities Depository and Clearing Company Limited Shanghai Branch on 28 January 2021. The total number of restricted A Shares granted under the first grant was 95,980,600 and the number of participants who were granted the restricted A Shares under the first grant was 686. The grant price was RMB4.95 per A Share.</p>	<p>For details, please refer to the Company’s announcements disclosed on HKEXnews website (http://www.hkexnews.hk) dated 11 January 2021, 13 January 2021 and 1 February 2021.</p>
<p>The lock-up period of the A Shares held by phase 1 of the employee stock ownership scheme of the Company (the “Employee Stock Ownership Scheme”) has expired, and those A Shares were listed and became tradable on 8 June 2020. At the second meeting of holders of the Employee Stock Ownership Scheme and the ninth extraordinary meeting in 2020 of the seventh term of the Board, it was considered and approved that the duration of the Employee Stock Ownership Scheme will be extended from 48 months to 72 months, i.e., to be extended to 6 June 2023.</p>	<p>For details, please refer to the Company’s announcements disclosed on HKEXnews website (http://www.hkexnews.hk) dated 8 June 2017 and 28 May 2020.</p>

ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

I. ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) OVERVIEW

The Company has incorporated environmental, social and governance (ESG) into corporate strategic and sustainable development planning, and established a top-down ESG management system led by the Board. During the reporting period, the Company conformed with international standards and norms to implement regular and normalised ESG information disclosure in a more transparent and sincere manner. The Company has established a comprehensive safety, occupational health and environmental management system with Zijin’s characteristics, and proactively applied to join the “Sharm El-Sheikh to Kunming Action Agenda for Nature and People” relating to the Convention on Biological Diversity of the United Nations and China’s “Industrial and Commercial Biodiversity Conservation Alliance”. In response to the Paris Agreement and China’s 2030/2060 “dual-carbon” process, the Company has deployed decarbonisation measures and accelerated its speed to tap into the fields of new energy and new materials. The Company insists on developing a globalised, diversified and localised employment system, implements various community assistance and poverty alleviation policies, and establishes a long-term “close and clean” and “friendly-oriented” responsible supply chain system.

1. Kamo Copper S.A. in the DR Congo

The Kamo-Kakula Copper Mine in the DR Congo has incorporated ESG concepts into its entire development process. The mine has remarkably reduced surface environmental disturbance as large-scale underground mining is adopted and approximately 60% of the mine’s tailings are backfilled. Meanwhile, the mine has comprehensively adopted clean energy and renewable hydroelectric power. According to the independent audit performed by Hatch Ltd. of Canada, the mine will be among the world’s lowest greenhouse gas emitters per unit of copper produced. The mine has implemented sustainable livelihoods programme, creating a large number of job opportunities in textile, agriculture, animal breeding, aquaculture and other distinctive industries in the mining area and surrounding communities.

Others *(continued)*

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

2. Continental Gold in Colombia

Since Continental Gold in Colombia has been taken over by Zijin Team, its production and operation have improved rapidly, upgrade and expansion are being implemented at a fast pace and its contributions to tax and employment are steadily increasing. It has become the first modern mine in Colombia which is eco- and environmental-friendly, as well as beneficial to the society. During the reporting period, the project has completed and commenced the most advanced water treatment plant in the country, which will further enhance the mine's green ecological level and watershed biodiversity protection capacity.

3. Julong Copper in Tibet

Julong Copper in Tibet follows Zijin's "co-development" concept in an all-round way by implementing localised employment policy. During the reporting period, Julong Copper actively participated in solving the employment issues of local graduates from high school or above, joined forces with Maizhokunggar County where the project is located, to launch a career-oriented commissioned training programme. In the first phase, 86 students will be trained at the Zijin Mining College of Fuzhou University. They will be employed by Julong Copper after passing the training programme.

II. ENVIRONMENTAL INFORMATION

(I) Information on environmental protection status of the companies and major subsidiaries which are key pollutant discharge units identified by the environmental protection authorities

Information on pollutant discharge

The Company prioritises ecological and environmental protection as the foothold of corporate development as well as the key driver of quality and sustainable development. During the reporting period, a total of 23 branch companies (subsidiaries) in the PRC were identified as key pollutant discharge units by the ecological and environmental administrative authorities. Key pollutant discharge units strictly complied with the national and regional pollutant discharge standards and requirements as well as paid the environmental protection tax in full and on time. All discharges of wastewater, exhaust gas and noise at boundary met the standards, the solid waste was comprehensively utilised or disposed of safely, and the hazardous waste was handed over to qualified institutions for disposal and utilisation.

For details of pollutant discharge information, please refer to Appendix 1 of this report.

Construction and operation of pollution prevention and controlling facilities

The Company has established a pollution prevention and controlling system featuring clean production, pollution prevention and control, pollution treatment as well as comprehensive utilisation. During the reporting period, the industrial wastewater, dust and refining flue gas generated by the Company were treated effectively and discharged after meeting regulatory standards. In particular, the emission concentration of refining flue gas was far below the national discharge standards. Solid waste and hazardous waste were disposed of in compliance with the laws and regulations according to the requirements of the local ecological and environmental administrative authorities and relevant environmental impact assessment reports. All professional environmental protection facilities of the Company were operated in a stable and normal manner.

Environmental impact assessment and other environmental protection related administrative permits for construction projects

Each of the new, upgrade and expansion projects of the branch companies (subsidiaries) has carried out environmental impact assessment and acceptance check in strict adherence to the relevant requirements of the environmental impact assessment. For details of environmental impact assessment and implementation of the "three simultaneous" regulation during the reporting period, please refer to Appendix 2.

Emergency plans for the outbreak of environmental incidents

Each branch company (subsidiary) of the Company has formulated the Corporate Emergency Plan for Environmental Incidents in accordance with the requirements, which have been reported and filed to the local ecological and environmental administrative authorities. The Company took "Environmental Safety Month" campaign as an opportunity to organise and perform various types of emergency drills related to hazardous chemical leakage, flood control at tailings storages, pipeline leakage and so on.

Others *(continued)**(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)***Environmental self-monitoring programme**

Each branch company (subsidiary) has formulated environmental self-monitoring programme in accordance with the requirements of the ecological and environmental administrative authorities of the places where it is located, and has entrusted qualified third-party testing agencies to monitor water, gas, noise, soil and so on regularly and issue monitoring reports. Among which, the branch companies (subsidiaries) which are identified as the enterprises subject to intensive monitoring and control of the state disclose their environmental self-monitoring programme and the monitoring results via the environmental information disclosure platform of the local ecological and environmental administrative authorities or on the subsidiaries' website every year in strict compliance with regulations including the Environmental Protection Law of the PRC, Measures for the Disclosure of Environmental Information by Enterprises and Public Institutions (Order of the Ministry No. 31), Measures for the Self-Monitoring and Information Disclosure by the Enterprises subject to Intensive Monitoring and Control of the State (Tentative), Measures for the Supervisory Monitoring of Pollution Sources and Information Disclosure by the Enterprises under Intensive Monitoring and Control of the State (Tentative).

Administrative penalties due to environmental issues during the reporting period

During the reporting period, two administrative fines relating to environmental protection issues amounted to RMB435,000 in total were imposed on the Company's subsidiaries. Rectifications were completed.

(II) Information on environmental protection status of the companies which are non-key pollutant discharge units**Disclosure of other environmental information with reference to key pollutant discharge units**

The Company currently has eight non-key pollutant discharge units in the PRC, including Xinjiang Jinbao Mining Co., Ltd., Yuanyang Huaxi Gold Co., Ltd., Fujian Zijin Copper Co., Ltd., Fujian Zijin Mineral Processing Chemicals Co., Ltd., Fujian Jinshan High-abrasive Material Co., Ltd., Fujian Zijin Precious Metals Materials Co., Ltd., Luoyang Zijin Yinhuai Gold Refinery Co., Ltd. and Xinjiang Zijin Non-ferrous Metals Co., Ltd. (in trial production stage). The discharge of pollutants of these 8 units was up to standard. They have obtained pollutant discharge permits or completed the registration of pollutant discharge permits. For details of the pollutant discharge information of the abovementioned eight non-key pollutant discharge units, please refer to Appendix 3: Pollution discharge information of non-key pollutant discharge units for the first half of 2021.

Overseas businesses of the Company and its subsidiaries are in compliance with the relevant laws, regulations and policies of the countries and regions where they are located. At present, the Company is promoting a full-coverage online wastewater monitoring system for overseas subsidiaries at full speed in order to strengthen pollution monitoring and control.

Relevant information on matters favourable to ecological protection, pollution prevention and control and discharge of environmental responsibilities

During the reporting period, the Company benchmarked against the standards of international management systems, fully promoted ISO 14001 environmental management system, and obtained certifications in relation to occupational health, safety and environmental management systems. 20 subsidiaries of the Company obtained the certification for their environmental management systems. The Company developed mines under the concept of "harmonious coexistence between man and nature", strengthened biodiversity conservation, and applied to join the "Sharm El-Sheikh to Kunming Action Agenda for Nature and People" relating to the Convention on Biological Diversity of the United Nations and China's "Industrial and Commercial Biodiversity Conservation Alliance". The Company also implemented biodiversity monitoring, ecological restoration, protection of precious wild animals and plants as well as established migration tubes for Siberian sturgeons and other measures to protect wildlife habitats and mitigate impact on the ecology and environment.

During the reporting period, the Company invested RMB670 million in environmental protection and ecological projects, among which, RMB162 million was invested in ecological restoration, representing an increase of 85.6% and 200% compared with the same period last year respectively. The Company's efforts on ecological restoration continue to strengthen.

Others *(continued)*

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Measures taken to reduce carbon emission and the results during the reporting period

The Company accelerated the implementation of clean energy alternatives. The Company actively rolled out photovoltaic power generation. As at the end of June 2021, 1.45 million kWh of grid-connected power was generated, equivalent to 1,419.55 tonnes of CO₂ reduction and replacing 580 tonnes of standard coal. The photovoltaic power generation projects under construction have completed an installed capacity of 8,458.8kW with an investment amount of RMB41.8655 million. The Company issued the first “carbon neutral” bonds in China’s precious metal industry. All of the proceeds raised will be used for the development of eco- and low-carbon photovoltaic power generation industry.

The Company implemented pilot projects to utilise waste heat and replaced diesel-powered mining trucks and other engineering vehicles with electric ones. Urad Rear Banner Zijin finished the construction of waste heat utilisation energy saving heating project with an investment amount of RMB35.47 million. The project utilises waste heat from mine drainage, tailings slurries and air-compressor cooling water to replace conventional coal-fired boilers, which can supply heat to an area of 82,000 m². It can save 5,000 tonnes of standard coal and reduce the emissions of CO₂, SO₂ and nitrogen oxides by approximately 13,000 tonnes, 42.5 tonnes and 37 tonnes respectively for every heating season.

The Company phased out obsolete equipment in an orderly manner, selected high-efficiency energy-saving equipment, completed the replacement work of coal-fired boilers with a capacity under 10t/h with electric model, promoted the installation of online energy monitoring systems which keep track of energy consumption to improve energy utilisation performance.

III. Specific information about work on consolidating and expanding the fruits of poverty alleviation and rural revitalisation

Through cooperation between the Company’s subsidiaries, local governmental poverty alleviation organisations, Zijin Mining Charity Foundation (the Company as its sole founder) and social organisations, the Company regards consolidating and expanding the fruits of poverty alleviation in the surrounding communities of the Company and the effective connection with rural revitalisation as its key tasks, continuously promotes economic and educational development of the poverty alleviated areas. The Company has established the Corporate Social Responsibility Department to be responsible for such tasks.

Results of the work on poverty alleviation and rural revitalisation

During the reporting period, the Company fully strengthened the formulation of annual plan for rural revitalisation in the poverty alleviated areas, and laid down organisational safeguard in respect of project selection, liaison with governmental organisations, implementation of supervision, information disclosure, etc. Rural revitalisation support fund for the poverty alleviated areas was included in the annual financial budget to ensure material support for the related work. The Company invested approximately RMB76 million in poverty alleviation during the reporting period to carry out infrastructure construction, industry revitalisation, environmental protection and assistance activities in relation to science, education, culture and healthcare in the Minxi Old Revolutionary Base in Fujian, Xinjiang, Inner Mongolia, Jilin, Henan, Shanxi, Heilongjiang, Yunnan, Jiangxi, Guizhou, Gansu and other poverty alleviated areas.

During the reporting period, Zijin Zinc in Xinjiang was awarded the title of “National Advanced Group for Poverty Alleviation”. It has been firmly adhering to “employment support, education support and targeted support” to make significant contributions to help Wuqia County, where it is located, to shake off poverty and to be removed from the poverty list. It directly provided 168 local jobs (accounting for about 40% of its total staff number); indirectly attracted more than 2,000 persons to engage in the tertiary industry.

Follow-up work plan

The Company will continue to fulfill relevant requirements of the “Fourteenth Five-Year Plan”. In combination of its own industry characteristics, the Company will cooperate with governmental authorities and Zijin Mining Charity Foundation to focus on promoting the poverty alleviation policies, measures and work systems at the communities where the Company’s subsidiaries are located, including the Minxi Old Revolutionary Base in Fujian Province, Altay Region in Xinjiang Uyghur Autonomous Region, Hunchun City in Jilin Province, Fanshi County in Shanxi Province, Heihe City in Heilongjiang Province, Luoning County in Henan Province, Golog Prefecture in Qinghai Province and Urad Rear Banner in Inner Mongolia to achieve a smooth and progressive transition to rural revitalisation. It will ensure an effective connection with rural revitalisation and assist the local communities where the subsidiaries of the Company are located to safeguard the fruits of victory in poverty alleviation.

Others (continued)

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

Number	Name of entity	Type of pollutant	Major and special pollutant	Concentration of discharge	Total discharge volume in the first half of the year (t)	Approved annual discharge volume (t/a)	Way of discharge	Number of discharge outlets	Distribution of discharge outlets	Whether discharge limit was exceeded	Regulatory basis for pollutant discharge
3	Neimenggu Golden China Minerals Inc.	Mineral processing wastewater	-	-	-	-	Not discharged and internally reused	0	N/A	No	-
			Exhaust gas	Dust	31.6mg/m ³	4.6	-	Organised discharge after meeting regulatory standards	1	The 40m-high chimney positioned downwind from the plant	No
			Sulphur dioxide	49mg/m ³	3.69	-					
4	Urad Rear Banner Zijin Mining Co., Ltd.	Noise									Noise at boundary meet the standards of Category II of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)
		Mineral processing wastewater	-	-	-	-	Not discharged and internally reused	0	N/A	No	-
		Exhaust gas	Particulates	22.5-68.5mg/m ³	6.097	-	Organised discharge after meeting regulatory standards	6	The discharge outlets of dust removers installed at the crushing and screening systems	No	Emission standard of pollutants for lead and zinc industry (GB25466-2010)
5	Shanxi Zijin Mining Co., Ltd.	Noise									Noise at boundary meet the standards of Category II of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)
		Mineral processing wastewater	-	-	-	-	Not discharged and internally reused	0	N/A	No	-
		Exhaust gas	Particulates	12.4mg/m ³	2.559	-	Organised discharge after meeting regulatory standards	4	The discharge outlets of dust remover installed at the crushing system	No	Integrated emission standard of air pollutants (GB16297-1996)
6	Luoming Huatai Mining Development Co., Ltd.	Noise									Noise at boundary meet the standards of Category II of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)
		Mineral processing wastewater	-	-	-	-	Not discharged and internally reused	0	N/A	No	-
		Exhaust gas	Particulates	6.56mg/m ³	2.39	-	Organised discharge after meeting regulatory standards	5	The discharge outlets of dust remover installed at crushing section	No	Class 2 standards in Schedule 2 of the Integrated emission standard of air pollutants (GB16297-1996)
7	Luoyang Kuyue Mining Co., Ltd.	Noise									Noise at boundary meet the standards of Category II of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)
		Mineral processing wastewater	-	-	-	-	Not discharged and internally reused	0	N/A	No	-
		Exhaust gas	Particulates	8.4-10mg/m ³	3.954	-	Organised discharge after meeting regulatory standards	4	Dust removers installed at the crushing and screening sections in production line	No	Class 2 standards in Schedule 2 of the Integrated emission standard of air pollutants (GB16297-1996)
		Noise								Noise at boundary meet the standards of Category II of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)	

Others (continued)

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

Number	Name of entity	Type of pollutant	Major and special pollutant	Concentration of discharge	Total discharge volume in the first half of the year (t)	Approved annual discharge volume (t/a)	Way of discharge	Number of discharge outlets	Distribution of discharge outlets	Whether discharge limit was exceeded	Regulatory basis for pollutant discharge										
8	Xinjiang Habahe Ashele Copper Co., Ltd.	Mineral processing wastewater	-	-	-	-	Not discharged and internally reused	0	-	No	-										
												Exhaust gas	Dust	14.7mg/m ³	1.16	22.76	Organised discharge after meeting regulatory standards	1	The 60m-chimney in boiler house	No	Emission standard of air pollutants for boiler (GB13271-2014)
Nitrogen oxides	268.77mg/m ³	21.29	106.78																		
9	Xinjiang Zijin Zinc Co., Ltd.	Noise	Noise at boundary met the standards of Category II of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)																		
			Mineral processing wastewater	-	-	-	-	Not discharged and internally reused	0	IWA	No	-									
													Exhaust gas	Sulphur dioxide	181mg/m ³	3.04	87	Organised discharge after meeting regulatory standards	1	Discharged through the 45m-chimney in the boiler house	No
Nitrogen oxides	105mg/m ³	1.77	48.9																		
Dust	37.7mg/m ³	0.63	-																		
Particulates	40mg/m ³	2.2	-																		
10	Heilongjiang Duobaoshan Copper Industry Inc.	Noise	Noise at boundary met the standards of Category III of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)																		
			Mineral processing wastewater	-	-	-	-	Not discharged and internally reused	0	IWA	No	-									
													Exhaust gas	Sulphur dioxide	121.28mg/m ³	33.39	198.416304	Organised discharge after meeting regulatory standards	1	Discharged through the 60m-chimney after desulphurisation and denitrification in the boiler house	No
Nitrogen oxides	141.50mg/m ³	39.11	104.6																		
Dust	14.31mg/m ³	3.95	41.33673																		
Particulates	38.32mg/m ³	98.64	-																		
Noise	Noise at boundary met the standards of Category II of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)																				

Others (continued)

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

Number	Name of entity	Type of pollutant	Major and special pollutant	Concentration of discharge	Total discharge volume in the first half of the year (t)	Approved annual discharge volume (t/a)	Way of discharge	Number of discharge outlets	Distribution of discharge outlets	Whether discharge limit was exceeded	Regulatory basis for pollutant discharge
11	West Copper Co., Ltd.	Mineral processing wastewater	-	-	-	-	Not discharged and internally reused	0	N/A	No	-
		Exhaust gas	Particulates	45.41 mg/m ³	1.663	-	Organised discharge after meeting regulatory standards	3	Wet dust remover at the crude crushing facilities at ore crushing section (SX16), wet dust remover at medium-to-fine crushing facilities (SX22), wet dust remover at the screening system (SX32)	No	Emission standard of pollutants for copper, nickel, cobalt industry (GB25467-2010)
12	Guizhou Zijin Mining Co., Ltd.	Noise		Noise at boundary met the standards of Category III of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)							
		Wastewater	COD	7.5mg/L	6.854	86.65	Organised discharge after meeting regulatory standards	2	Outlet of Shuiyindong Mine pit water treatment station, outlet of Bojitian Mine 1 gushing pit water treatment station	No	Class 1 standards of the Integrated wastewater discharge standard (GB8978-1996)
			Ammonia nitrogen	0.2925mg/L	0.242	22.2					
			Suspended solids	6mg/L	5.483	-					
			Total lead	0.012mg/L	0.0127	-					
			Total chromium	0.012mg/L	0.0126	-					
		Exhaust gas	Sulphuric acid mist	9.5mg/m ³	0.884	-	Organised discharge after meeting regulatory standards	1	Outlet of tailing gas scrubber	No	The maximum emission concentration limit in Schedule 2 of the integrated emission standard of air pollutants (GB16297-1996)
13	Wenshan Meiluo Zijin Tungsten Group Co., Ltd.	Noise		Noise at boundary met the standards of Category II of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)							
		Wastewater	COD	33.3mg/L	9.761	14.355	Organised discharge after meeting regulatory standards	1	Master discharge outlet of tailings storage	No	Class 1 standards of the Integrated wastewater discharge standard (GB8978-1996)
			Ammonia nitrogen	0.92mg/L	0.313	7.1775					
			Suspended solids	19.02mg/L	5.489	33.495					
			Total arsenic	0.04541mg/L	0.0138	0.0335					
14	Longnan Zijin Mining Co., Ltd.	Noise		Noise at boundary met the standards of Category II of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)							
		Industrial wastewater	-	-	-	-	Not discharged and internally reused	0	N/A	No	-
		Noise		Noise at boundary met the standards of Category II of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)							

Others (continued)

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

Number	Name of entity	Type of pollutant	Major and special pollutant	Concentration of discharge	Total discharge volume in the first half of the year (t)	Approved annual discharge volume (t/a)	Way of discharge	Number of discharge outlets	Distribution of discharge outlets	Whether discharge limit was exceeded	Regulatory basis for pollutant discharge		
15	Hunchun Zijin Mining Co., Ltd.	Mineral processing wastewater	-	-	-	-	Not discharged and internally reused	0	N/A	No	-		
				Exhaust gas	Nitrogen oxides	109.5mg/m ³	12.92	28.797	Organised discharge after meeting regulatory standards	1	Discharge outlet of boiler	No	Emission standard of air pollutants for boiler (GB13271-2014)
					Sulphur dioxide	23mg/m ³	2.7	23.037					
					Dust	14.6mg/m ³	1.73	5.759					
Exhaust gas	Particulates	11.2mg/m ³	24.29	-	Organised discharge after meeting regulatory standards	10	Discharge outlets at crude crushing facilities, medium-to-fine crushing facilities and vibration screening dust removers	No	Emission standard of pollutants for copper, nickel, cobalt industry (GB25467-2010)				
	Noise	Noise at boundary met the standards of Category III of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)	-	-	Not discharged and internally reused	0	N/A	No	-				
16	Tibet Julong Copper Co., Ltd.	Mineral processing wastewater	-	-	-	-	Not discharged and internally reused	0	N/A	No	-		
				Exhaust gas	Particulates	14mg/m ³	4.4	-	Organised discharge after meeting regulatory standards	5	Zhibulia crushing station, driving station, transfer stations no. 2 and 3, the original ore storage of Zhibulia's mineral processing plant	No	Emission standard of pollutants for copper, nickel, cobalt industry (GB25467-2010), Emission standard of pollutants for iron ore mining and mineral processing industry (GB28661-2012)
17	Zijin Copper Co., Ltd.	Wastewater	Total arsenic	0.044mg/L	0.017	-	Organised discharge after meeting regulatory standards	2	Copper refining: discharge outlet for clean water, gold refining: discharge outlet for wastewater	No	Emission standard of pollutants for copper, nickel, cobalt industry (GB25467-2010), Integrated wastewater discharge standard (GB8978-1996)		
				Total lead	0.023mg/L	0.009						-	
				Total copper	0.029mg/L	0.011						-	
		Exhaust gas	Sulphur dioxide	11.196mg/m ³	49.988	606.18	Organised discharge after meeting regulatory standards	3	Post-desulphurisation environmental smoke discharge outlet, discharge outlet for post-desulphurisation tailing gas from sulphuric acid, 80m-high discharge outlet for environmental gas	No	Emission standard of pollutants for copper, nickel, cobalt industry (GB25467-2010), Integrated emission standard of air pollutants (GB16297-1996)		
				Nitrogen oxides	12.515mg/m ³	55.88						195.742	
				Particulates	4.137mg/m ³	18.471						369.6	
				Lead and its compounds	0.01mg/m ³	0.046						3.234	
				Arsenic and its compounds	0.007mg/m ³	0.032						1.848	
				Mercury and its compounds	Below detectable limit	0						0.05544	
				Noise	Noise at boundary met the standards of Category III of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)	-						-	-

Others (continued)

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

Number	Name of entity	Type of pollutant	Major and special pollutant	Concentration of discharge	Total discharge volume in the first half of the year (t)	Approved annual discharge volume (t/a)	Way of discharge	Number of discharge outlets	Distribution of discharge outlets	Whether discharge limit was exceeded	Regulatory basis for pollutant discharge
18	Zijin Mining Group Gold Smelting Co., Ltd.	Wastewater	Total copper	0.02mg/L	3.35×10 ⁵	0.0236	Organised discharge after meeting regulatory standards	1	Wastewater discharge outlet DW001	No	Integrated wastewater discharge standard (GB8978-1996)
			Total cyanide	0.0277mg/L	2.16×10 ⁵	0.0023					
			COD	85.8mg/L	6.18×10 ²	1.18					
			Ammonia nitrogen	7.7656mg/L	6.44×10 ³	0.177					
			Total arsenic	0.0036mg/L	0	0.0059					
			Total mercury	0.00004mg/L	0	0.00059					
			Total lead	0.005mg/L	3.35×10 ⁶	0.0118					
			Total cadmium	0.0005mg/L	3.35×10 ⁵	0.00118					
			Nitrogen oxides	2.56mg/m ³	0.0495	0.96					
			Hydrogen chloride	3.03mg/m ³	0.053	0.5247					
			Ammonia gas	13.375mg/m ³	0.03179	-					
						Noise at boundary met the standards of Category III of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)					
19	Jilin Zijin Copper Co., Ltd.	Noise	COD	43.21mg/L	10.117	32.84	Organised discharge after meeting regulatory standards	1	Master discharge outlet at the northwestern corner of the plant	No	Schedule 2 of the Emission standard of pollutants for copper, nickel, cobalt industry, the Standards and Requirements on Water Intake of Water Treatment Plants of Hunchun City
			Ammonia nitrogen	5.88mg/L	1.393	4.38					
			Total lead	Below detectable limit	0	0.15239					
			Total arsenic	0.1343mg/L	0.00245	0.15239					
			Total mercury	Below detectable limit	0	0.015239					
			Total cadmium	Below detectable limit	0	0.030478					
			Particulates	13.88mg/m ³	22.275	160.01					
			Sulphur dioxide	120.24mg/m ³	222.729	570					
			Nitrogen oxides	10.49mg/m ³	15.399	130.44					
			Arsenic and its compounds	0.1153mg/m ³	0.246	1.00577					
			Lead and its compounds	0.1687mg/m ³	0.344	1.76011					
			Mercury and its compounds	0.0031mg/m ³	0.00619	0.03018					
			Noise at boundary met the standards of Category III of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)								

Others (continued)

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

Number	Name of entity	Type of pollutant	Major and special pollutant	Concentration of discharge	Total discharge volume in the first half of the year (t)	Approved annual discharge volume (t/a)	Way of discharge	Number of discharge outlets	Distribution of discharge outlets	Whether discharge limit was exceeded	Regulatory basis for pollutant discharge	
20	Heilongjiang Zijin Copper Co., Ltd.	Wastewater	COD	45.83mg/L	10.11	-	Organised discharge after meeting regulatory standards	1	Brine discharge outlet	No	Emission standard of pollutants for copper, nickel, cobalt industry (GB25467-2010)	
			Total dissolved solids	327mg/L	72.13	-	Organised discharge after meeting regulatory standards	1	Chimney for environmental smoke and tailing gas from acid manufacturing	No	Emission standard of pollutants for copper, nickel, cobalt industry (GB25467-2010), integrated emission standard of air pollutants (GB16297-1996)	
		Exhaust gas	Particulates	0.61mg/m ³	0.36	57.6						
			Sulphur dioxide	12.67mg/m ³	8.22	513.79						
			Nitrogen oxides	53.36mg/m ³	33.2	92.16						
			Mercury and its compounds	Below detectable limit	0	0.00001						
			Lead and its compounds	Below detectable limit	0	0.162						
			Arsenic and its compounds	0.000037mg/m ³	0.000041	0.05						
21	Bayannur Zijin Non-ferrous Metals Co., Ltd.	Industrial wastewater	-	-	-	-	Not discharged and internally reused	0	N/A	No	-	
			Exhaust gas	Sulphur dioxide	33-182mg/m ³	140.92	1,390.13	Organised discharge after meeting regulatory standards	4	Main discharge outlet of thermal power plant, tailing gas discharge outlet for two-slag reverse kiln, exhaust gas discharge outlet at acid manufacturing plant in phase one, exhaust gas discharge outlet at acid manufacturing plant in phase two	No	Emission standard of pollutants for lead and zinc industry (GB25466-2010), Emission standard of air pollutants for thermal power plants (GB13223-2011)
		Noise	Particulates	24-53.4mg/m ³	57.25	338						
			Nitrogen oxides	83-100.7mg/m ³	164.3	630.4						
			Sulphuric acid mist	9.99-12.6mg/m ³	5.036	-						
			Mercury and its compounds	0.000128mg/m ³	0.00069	0.077						
			Lead and its compounds	0.08mg/m ³	0.0265	0.6926						
			-	-	-	-						
			-	-	-	-						
			-	-	-	-						
22	Luoning Zijin Gold Refinery Co., Ltd.	Industrial wastewater	-	-	-	-	Not discharged and internally reused	0	N/A	No	-	
			Exhaust gas	Particulates	10mg/m ³	0.23	2.772	Organised discharge after meeting regulatory standards	1	The 60m-chimney at the exit of boiling roasting furnace	No	Henan Province regional industrial furnace kiln air pollutant emission standards (DB411066-2020)
		Noise	Sulphur dioxide	50mg/m ³	0.07	14.005						
			Nitrogen oxides	100mg/m ³	7.09	27.878						
23	Kuitun Tongguan Metallurgical and Chemical Industry Co., Ltd.	Noise	Noise at boundary met the standards of Category II of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)									Production suspended

Note: According to the relevant regulations of the state's pollutant discharge permit, general discharge outlets only control the permitted concentration of discharge, therefore there is no verified total annual discharge volume.

Others (continued)

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2. Implementation of environmental impact assessment and “three simultaneous” regulation for the first half of 2021

Number	Name of entity	Name of construction project	Approval status of environmental impact assessment report (table)			Status of completion and environmental protection acceptance check	Note
			Approval authority	Time of approval	Approval document number		
1	Zijinshan Gold and Copper Mine	Yutiankeng tailings storage	Longyan City Ecology and Environment Bureau	3 June 2021	Long Huan Shen [2021] No. 155	Under construction	Key pollutant discharge units
2	Guizhou Zijin Mining Co., Ltd.	1,000t/d gold ore pressurised pre-oxidation technological upgrade “three-in-one” project	Department of Ecology and Environment of Guizhou Province	15 January 2021	Qian Huan Shen [2021] No. 15	Under construction	
		8,000m ³ /d wastewater treatment system construction project	Qianxinan Prefecture Ecology and Environment Bureau	4 June 2021	Zhou Huan He [2021] No. 157	Under construction	
3	Tibet Julong Copper Co., Ltd.	Mining and processing upgrade and expansion project of the Zhibula Copper and Polymetallic Mine in Maizhokunggar County (processing project)	Department of Environmental Protection of Tibet Autonomous Region	8 November 2016	Zang Huan Shen [2016] No. 95	Acceptance check completed in February 2021	
		Mining and processing upgrade and expansion project of the Zhibula Copper and Polymetallic Mine in Maizhokunggar County (mining project)	Department of Environmental Protection of Tibet Autonomous Region	7 November 2016	Zang Huan Shen [2016] No. 94	Acceptance check completed in February 2021	
4	Longnan Zijin Mining Co., Ltd.	10,000t/d mining and processing project of the Liba Gold Mine, Li County, Gansu Province	Department of Ecology and Environment of Gansu Province	5 December 2019	Gan Huan Ping Fa [2019] No. 30	Acceptance check completed in March 2021	
5	Jilin Zijin Copper Co., Ltd.	Project of precious metal recovery from discarded printed circuit boards	Department of Ecology and Environment of Jilin Province	6 May 2021	Ji Huan Shen Zi [2021] No. 37	Under construction	
6	Xinjiang Jinbao Mining Co., Ltd.	Raw ore rubber belt conveying project at the processing plant no. 1	Alay Region Ecology and Environment Bureau	7 May 2021	A Di Huan Han [2021] No. 15	Under construction	Non-key pollutant discharge units
7	Fujian Zijin Copper Co., Ltd.	High-performance copper alloy strip and foil technological upgrade project	Longyan City Ecology and Environment Bureau	7 April 2021	Long Huan Shen [2021] No. 83	Under construction	
		High-performance copper alloy hot-rolled strip and foil expansion project	Longyan City Ecology and Environment Bureau	8 May 2021	Long Huan Shen [2021] No. 121	Under construction	

Others (continued)

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3. Pollutant discharge information of non-key pollutant discharge units for the first half of 2021

Number	Name of entity	Type of pollutant	Major and special pollutant	Concentration of discharge	Total discharge volume in the first half of the year (t)	Approved annual discharge volume (t/a)	Way of discharge	Number of discharge outlets	Distribution of discharge outlets	Whether discharge limit was exceeded	Regulatory basis for pollutant discharge	
1	Xinjiang Jinbao Mining Co., Ltd	Industrial wastewater	-	-	-	-	Not discharged and internally reused	0	N/A	No	-	
			Exhaust gas	Dust	30.9mg/m ³	1.103	9.52	Organised discharge after meeting regulatory standards	2	Exhaust pipe for boiler no. 1, exhaust pipe for boiler no. 2	No	Emission standard of air pollutants for boiler (GB13271-2014)
			Sulphur dioxide	65.33mg/m ³	2.349	38.08						
			Nitrogen oxides	251.83mg/m ³	9.367	47.6						
2	Yuanyang Huaxi Gold Co., Ltd.	Noise		Noise at boundary met the standards of Category III of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)								
		Mineral processing wastewater	-	-	-	Not discharged and internally reused	0	N/A	No	-		
3	Fujian Zijin Copper Co., Ltd.	Noise		Noise at boundary met the standards of Category II of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)								
		Wastewater	COD	45mg/L	1.7860	-	Organised discharge after meeting regulatory standards	1	Wastewater treatment station	No	Class 3 standards in Schedule 4 of the Integrated wastewater discharge standard (GB8978-1996)	
			Ammonia nitrogen	4.86mg/L	0.182	-						
			Total zinc	0.02mg/L	0.0007	-						
			Total copper	0.146mg/L	0.0038	-						
			Total nickel	0.00472mg/L	0.00025	-						
		Exhaust gas	Particulates	3.2mg/m ³	1.128	-	Organised discharge after meeting regulatory standards	13	The discharge outlets of copper pipe plant and plate and strip plant	No	The upper limit in Schedule 2 of the Integrated emission standard of air pollutants (GB16297-1996)	
			Sulphur dioxide	3-63mg/m ³	0.107	-						
			Nitrogen oxides	65mg/m ³	0.431	-						
			Non-methane hydrocarbons	1.915mg/m ³	1.497	-						
Noise			Noise at boundary met the standards of Category III of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)									

Others (continued)

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Number	Name of entity	Type of pollutant	Major and special pollutant	Concentration of discharge	Total discharge volume in the first half of the year (t)	Approved annual discharge volume (t/a)	Way of discharge	Number of discharge outlets	Distribution of discharge outlets	Whether discharge limit was exceeded	Regulatory basis for pollutant discharge									
4	Fujian Zijin Mineral Processing Chemicals Co., Ltd.	Wastewater	COD	55mg/L	0.822	2.193	Organised discharge after meeting regulatory standards	1	Within the plant	No	Class 3 standards in Schedule 4 of the Integrated wastewater discharge standard (GB8978-1996)									
			Ammonia nitrogen	18mg/L	0.058	0.292	Organised discharge after meeting regulatory standards	1	Exhaust pipe no. 1	No	Emission standard of volatile organic compounds for industrial enterprises (DB35/1782-2018)									
		Exhaust gas	Formaldehyde	0.25mg/m ³	0.0014	-	Organised discharge after meeting regulatory standards	1	Exhaust pipe no. 2	No	Class 2 standards in Schedule 2 of the Integrated emission standard of air pollutants (GB16297-1996)									
			Methanol	18mg/m ³	0.086	-	Organised discharge after meeting regulatory standards	1	Exhaust pipe no. 2	No	Class 2 standards in Schedule 2 of the Integrated emission standard of air pollutants (GB16297-1996)									
5	Fujian Jinsan High-abrasive Material Co., Ltd.	Noise	Particulates	1.68mg/m ³	4.04	-	Organised discharge after meeting regulatory standards	4	Sand cleaning exhaust gas outlet, sand treatment (sand mixing) exhaust gas outlet, outlet for exhaust gas from dissolving and spheroidising exhaust gas outlet	No	Class 2 standards in Schedule 2 of the Integrated emission standard of air pollutants (GB16297-1996), Class 2 standards in Schedule 2 of the Emission standard of air pollutants for industrial kiln and furnace (GB9078-1996)									
												Noise at boundary met the standards of Category III of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)								
													Exhaust gas	-						
															Hydrogen chloride	9.8mg/m ³	0.038	Organised discharge after meeting regulatory standards	1	Exhaust pipe no. 2
6	Fujian Zijin Precious Metal Materials Co., Ltd.	Noise	Total cyanide	0.004mg/L	0.0000134	-	Organised discharge after meeting regulatory standards	1	Master discharge outlet of wastewater	No	Emission standards of pollutants for inorganic chemical industry (GB31573-2015)									
												Wastewater	-							
														COD	54mg/L	0.01809	-			
																		Ammonia nitrogen	13.5mg/L	0.00452
												Exhaust gas	Nitrogen oxides	7.25mg/m ³	0.007	2.88	Organised discharge after meeting regulatory standards	1	Acidic gas discharge outlet for argenic salt production plant	No
												Ammonia gas	19.35mg/m ³	0.503	-	-				
Noise at boundary met the standards of Category III of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)																				

Others (continued)

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Number	Name of entity	Type of pollutant	Major and special pollutant	Concentration of discharge	Total discharge volume in the first half of the year (t)	Approved annual discharge volume (t/a)	Way of discharge	Number of discharge outlets	Distribution of discharge outlets	Whether discharge limit was exceeded	Regulatory basis for pollutant discharge
7	Luoyang Zijin Yinhu Gold Refinery Co., Ltd.	Industrial wastewater	-	-	-	-	Not discharged and internally reused	0	N/A	No	Not applicable
				Exhaust gas	Hydrogen chloride	15.32mg/m ³	0.051	-	Organised discharge after meeting regulatory standards	1	Discharge outlet of purification section
		Exhaust gas	Chlorine gas	4.09mg/m ³	0.014	-	Organised discharge after meeting regulatory standards	1	Discharge outlet of smelting section	No	Henan Province regional industrial furnace kiln air pollutant emission standards (DB41-1066-2015)
			Nitrogen oxides	19.83mg/m ³	0.067	-					
			Particulates	2.23mg/m ³	0.012	-					
8	Xinjiang Zijin Non-ferrous Metals Co., Ltd.	Noise					Noise at boundary met the standards of Category II of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)				
			Industrial wastewater	-	-	-	Not discharged and internally reused	0	N/A	No	Not applicable
		Exhaust gas	Sulphur dioxide	297.4mg/m ³	74.599	212.17	Organised discharge after meeting regulatory standards	1	Post-desulphurisation tailing gas discharge outlet	No	Emission standard of pollutants for lead and zinc industry (GB25466-2010), Integrated emission standard of air pollutants (GB 16297-1996)
			Nitrogen oxides	18.06mg/m ³	5.784	130.65					
			Particulates	13.54mg/m ³	4.012	90.16					
							Noise at boundary met the standards of Category III of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)				

Note: According to the relevant regulations of the state's pollutant discharge permit, general discharge outlets only control the permitted concentration of discharge, therefore there is no verified total annual discharge volume.

Others (continued)

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PERFORMANCE OF UNDERTAKINGS

Undertakings by the actual controller, shareholders, related parties, acquirers of the Company, the Company and other relevant undertaking parties which were made during the reporting period or remained valid within the reporting period

Background of the undertaking	Type of the undertaking	Undertaking party	Contents of the undertaking	Time of undertaking and its validity period	Whether there is a validity period	Whether the undertaking has been strictly complied with
Undertaking related to the initial public offering	Avoidance of competition within the same industry	Minxi Xinghang State-owned Assets Investment Co., Ltd.	During the period of being the substantial shareholder of the Company, Minxi Xinghang and its wholly-owned or controlling enterprises will not engage in any business that is in competition with or constitutes a competitive threat to the Company's main businesses or main products within or outside the PRC, including investing, acquiring, merging or entrusting to operate and manage locally or globally a company, business or other economic association which has a main business or product same as or similar to that of the Company. If the Company develops any new business segment in the future, the Company will have the priority to enter that business segment while Minxi Xinghang and its other wholly-owned or controlling enterprises will not develop in the same business segment.	The undertaking was made by Minxi Xinghang in 2008 when the A Shares of the Company were listed. The undertaking is valid so long as Minxi Xinghang is the substantial shareholder of the Company	Yes	Yes

MATERIAL CONNECTED TRANSACTIONS

Connected transactions related to daily business operation

Matters which have been published in provisional announcements and without further progress or changes in subsequent implementation

Summary of event	Index for details
The Company's subsidiary, Xinjiang Habahe Ashele Copper Co., Ltd., entered into a copper concentrates supply contract with Xinjiang Wuxin Copper Co., Ltd., a subsidiary of Ashele Copper's substantial shareholder, Xinjiang Nonferrous Metal Industry (Group) Co., Ltd., on 29 January 2021. Sale of copper concentrates is within the scope of ordinary and usual course of business of Ashele Copper and the contract was entered into under normal commercial terms and in line with the principles of fairness and reasonableness. During the reporting period, the total amount of the transaction was RMB703 million (tax excluded).	For details, please refer to the Company's announcement disclosed on HKEXnews website (http://www.hkexnews.hk) dated 29 January 2021.

Pursuant to Chapter 14A of the Listing Rules, the grant of restricted A Shares by the Company to the connected participants under the restricted A Share incentive scheme constituted a connected transaction of the Company. The grant date was 13 January 2021. The Company completed the registration of shares under the first grant of the restricted A Share incentive scheme at China Securities Depository and Clearing Company Limited Shanghai Branch on 28 January 2021. Among which, the total number of restricted A Shares granted to the connected participants (including executive Directors and a director of a significant subsidiary of the Company) was 5.95 million. For details, please refer to the Company's circular dated 11 December 2020 and announcements dated 13 January 2021 and 1 February 2021 disclosed on HKEXnews website (<http://www.hkexnews.hk>).

Others (continued)

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SHARE CAPITAL AND SHAREHOLDERS

Changes in share capital

1. Table on changes in share capital

Unit: Share

	Before the changes		Changes (+ or -)					After the changes	
	Number of shares	Proportion (%)	Issuance of new shares	Bonus shares	Conversion of capital reserve into share capital	Others	Subtotal	Number of shares	Proportion (%)
I. Shares subject to trading moratorium	0	0	95,980,600	0	0	0	95,980,600	95,980,600	0.36
1. Shares held by the state	0	0	0	0	0	0	0	0	0.00
2. Shares held by state-owned legal persons	0	0	0	0	0	0	0	0	0.00
3. Shares held by other domestic shareholders	0	0	95,980,600	0	0	0	95,980,600	95,980,600	0.36
Including: Shares held by domestic non-state owned legal persons	0	0	0	0	0	0	0	0	0.00
Shares held by domestic natural persons	0	0	95,980,600	0	0	0	95,980,600	95,980,600	0.36
4. Foreign shareholding	0	0	0	0	0	0	0	0	0.00
Including: Shares held by overseas legal persons	0	0	0	0	0	0	0	0	0.00
Shares held by overseas natural persons	0	0	0	0	0	0	0	0	0.00
II. Shares not subject to trading moratorium	25,377,259,946	100.00	854,361,694	0	0	0	854,361,694	26,231,621,640	99.64
1. Renminbi-denominated ordinary shares	19,640,319,946	77.39	854,361,694	0	0	0	854,361,694	20,494,681,640	77.85
2. Domestic-listed foreign invested shares	0	0.00	0	0	0	0	0	0	0.00
3. Overseas-listed foreign invested shares	5,736,940,000	22.61	0	0	0	0	0	5,736,940,000	21.79
4. Others	0	0.00	0	0	0	0	0	0	0.00
III. Total number of shares	25,377,259,946	100.00	0	0	0	0	950,342,294	26,327,602,240	100.00

Others (continued)

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2. Information on changes in shares

- (1) The Company implemented the restricted A Share incentive scheme for 2020 and issued a total of 95.9806 million restricted A Shares to specific participants. Registration of shares at China Securities Depository and Clearing Company Limited Shanghai Branch was completed on 28 January 2021. For details, please refer to the Company's announcement disclosed on HKEXnews website (<http://www.hkexnews.hk>) dated 1 February 2021.
- (2) The Company publicly issued RMB6 billion of A Share convertible corporate bonds (the "A Share Convertible Corporate Bonds") on 3 November 2020, and the A Share Convertible Corporate Bonds became convertible beginning from 10 May 2021. As the terms of redemption of the A Share Convertible Corporate Bonds had been triggered, the Company implemented early redemption and the A Share Convertible Corporate Bonds had been delisted from the Shanghai Stock Exchange starting from 28 June 2021. The cumulative number of A Shares converted was 854,361,694.

Changes of shares subject to trading moratorium

Unit: Share

Name of shareholder	Number of shares subject to trading moratorium as at the beginning of the reporting period	Number of shares unlocked during the reporting period	Increase in number of shares subject to trading moratorium during the reporting period	Number of shares subject to trading moratorium as at the end of the reporting period	Reason of trading moratorium	Date of unlocking
Participants of restricted A Share incentive scheme	0	0	95,980,600	95,980,600	Restricted A Share incentive scheme	Please refer to the note
Total	0	0	95,980,600	95,980,600	/	/

Note: Registration for the first grant of the restricted A Shares held by the participants was completed on 28 January 2021 (the "Registration Date"). Provided that conditions for unlocking the restricted A Shares are satisfied, the restricted A Shares granted may be unlocked according to the following schedule:

1. The first unlocking period commences from the first trading day after the expiry of the 24-month period from the Registration Date and ends on the last trading day of the 36-month period from the Registration Date. The percentage of restricted A Shares to be unlocked is 33%;
2. The second unlocking period commences from the first trading day after the expiry of the 36-month period from the Registration Date and ends on the last trading day of the 48-month period from the Registration Date. The percentage of restricted A Shares to be unlocked is 33%;
3. The third unlocking period commences from the first trading day after the expiry of the 48-month period from the Registration Date and ends on the last trading day of the 60-month period from the Registration Date. The percentage of restricted A Shares to be unlocked is 34%.

For details regarding the lock-up periods, unlocking periods and conditions for unlocking the restricted A Shares, please refer to the Restricted A Share Incentive Scheme for 2020 (Revised Draft) and Announcement on Summary of the Restricted A Share Incentive Scheme for 2020 (Revised Draft) dated 11 December 2020 disclosed by the Company on HKEXnews website.

Others (continued)

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

INFORMATION ON CORPORATE BONDS

Basic information on corporate bonds

Unit: RMB billion

Name of bond	Abbreviation	Code	Date of issuance	First interest accrual date	Date of maturity	Outstanding balance of the bond	Interest rate (%)	Payment of principal and interest	Listing place	Trading mechanism	Whether there are risks of termination of listing and trading
2016 Corporate Bonds (the Second Tranche) (Type One) of Zijin Mining Group Co., Ltd.*	16 Zijin 03	136549	15 July 2016	15 July 2016	15 July 2021	0.044001	3.05	Interest to be paid annually, principal to be repaid in full at maturity	Shanghai Stock Exchange	Publicly traded	No
2016 Corporate Bonds (the Second Tranche) (Type Two) of Zijin Mining Group Co., Ltd.*	16 Zijin 04	136550	15 July 2016	15 July 2016	15 July 2021	1.2	3.45	Interest to be paid annually, principal to be repaid in full at maturity	Shanghai Stock Exchange	Publicly traded	No
2018 Renewable Corporate Bonds (the First Tranche) of Zijin Mining Group Co., Ltd.* (publicly issued)	18 Zijin Y1	136951	16 October 2018	16 October 2018	The base period is 3 years. At the end of the base period and the end of each renewal period, the Company has a right to exercise the renewal option to renew the bonds for one more period (i.e., 3 years). The renewable corporate bonds will mature when the Company does not exercise the renewal option and redeems the bonds in full amount.	4.5	5.17	When the Company does not exercise the option to defer interest payment, the interest shall be paid annually.	Shanghai Stock Exchange	Publicly traded	No
2021 Corporate Bonds (the First Tranche) (Type One) of Zijin Mining Group Co., Ltd.* (publicly issued to professional investors)	21 Zijin 01	188161	3 June 2021	3 June 2021	3 June 2024	1.5	3.46	Interest to be paid annually, principal to be repaid in full at maturity	Shanghai Stock Exchange	Publicly traded	No
2021 Corporate Bonds (the First Tranche) (Type Two) of Zijin Mining Group Co., Ltd.* (publicly issued to professional investors)	21 Zijin 02	188162	3 June 2021	3 June 2021	3 June 2026	0.5	3.87	Interest to be paid annually, principal to be repaid in full at maturity	Shanghai Stock Exchange	Publicly traded	No

Others *(continued)*

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

Triggering and execution of issuer's or investor's option clause or investor protection clause

On 15 July 2016, the Company issued RMB1.8 billion of 2016 Corporate Bonds (the Second Tranche) (Type One) of Zijin Mining Group Co., Ltd.* through the Shanghai Stock Exchange with terms that the issuer has an option to adjust the interest rate and investors have a sell-back option at the end of the third year. In 2019, investors exercised the sell-back option and RMB1.755999 billion of the bonds were sold back. As at 30 June 2021, the outstanding balance of the bonds amounted to RMB44.001 million.

Details of convertible corporate bonds

Details of issuance of convertible bonds

Pursuant to the approval of the CSRC (Zhengjian Xuke [2020] No. 2613), on 3 November 2020, the Company publicly issued 60,000,000 A Share Convertible Corporate Bonds with a nominal value of RMB100 each. The total issuance amount was RMB6 billion. Pursuant to the approval of Shanghai Stock Exchange Self-discipline Supervision Decision [2020] No. 379, the A Share Convertible Corporate Bonds issued by the Company had been listed on the Shanghai Stock Exchange since 27 November 2020 with the bond abbreviation of "Zijin Convertible Bonds" and the bond code of "113041".

"Zijin Convertible Bonds" could be converted into the Company's ordinary A Shares beginning from 10 May 2021. The conversion price was RMB7.00 per A Share. The conversion period was from 10 May 2021 to 2 November 2025.

From 10 May 2021 to 28 May 2021, the closing prices of the Company's A Shares had been no less than 130% of the prevailing conversion price of "Zijin Convertible Bonds" for 15 consecutive trading days (i.e., RMB9.10 per A Share). Pursuant to the terms set out in the Offering Document for Public Issuance of A Share Convertible Corporate Bonds in 2020 of the Company, the terms of redemption of the A Share Convertible Corporate Bonds had been triggered. At the third extraordinary meeting in 2021 of the seventh term of the Board held on 28 May 2021, it was determined that the early redemption right of the A Share Convertible Corporate Bonds would be exercised to redeem all outstanding "Zijin Convertible Bonds" which appear on the register of bonds on the record date for redemption (25 June 2021).

As at the record date for redemption after market closed, "Zijin Convertible Bonds" with a cumulative amount of RMB5,980,568,000 had been converted into the Company's A Shares, accounting for 99.68% of the total issuance amount of "Zijin Convertible Bonds"; the cumulative number of shares converted was 854,361,694 A Shares, accounting for 3.35% of the total number of issued shares of the Company before the conversion of "Zijin Convertible Bonds". Starting from 28 June 2021, "Zijin Convertible Bonds" (bond code: 113041) had been delisted from the Shanghai Stock Exchange.

Changes in convertible corporate bonds during the reporting period

Unit: RMB

Name of convertible corporate bond	Before the changes	Converted into shares	Current changes		After the changes
			Redeemed	Sold back	
Zijin Convertible Bonds	6,000,000,000	5,980,568,000	19,432,000	0	0

Others *(continued)**(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)***Cumulative conversion of convertible corporate bonds during the reporting period**

Name of convertible corporate bond	Zijin Convertible Bonds
Amount converted into shares during the reporting period (RMB)	5,980,568,000
Number of shares converted during the reporting period (share)	854,361,694
Cumulative number of shares converted (share)	854,361,694
Proportion of cumulative number of shares converted to total number of issued shares of the Company before conversion (%)	3.35
Outstanding balance of unconverted bonds (RMB)	19,432,000
Proportion of outstanding balance of unconverted bonds to total issuance amount (%)	0.32

Historical adjustments to the conversion price

Unit: RMB

Name of convertible corporate bond	Zijin Convertible Bonds			
	Conversion price after adjustment	Time of disclosure	Media of disclosure	Details regarding conversion price adjustment
Conversion price adjustment date				
3 February 2021	7.00	2 February 2021	Shanghai Securities News, Securities Times	Completion of registration of the restricted A Shares under the first grant of the restricted A Share incentive scheme.
Latest conversion price as at the end of the reporting period				Not applicable

Others *(continued)**(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)***MAIN ACCOUNTING DATA AND FINANCIAL INDICATORS**

Unit: RMB

Main indicator	As at the end of the reporting period	As at the end of last year	Changes as at the end of the reporting period compared with as at the end of last year (%)	Reasons for the changes
Current ratio	87.88%	83.47%	Increased by 4.41 percentage points	Adjustment to debt structure
Quick ratio	55.96%	45.07%	Increased by 10.89 percentage points	Adjustment to debt structure
Debt-to-asset ratio (%)	55.49%	59.08%	Decreased by 3.59 percentage points	Adjustment to debt structure
Main indicator	During the reporting period (January – June)	During the same period last year	Changes for the reporting period compared with the same period last year (%)	Reasons for the changes
Net profit after non-recurring profit or loss	6,112,600,270	2,419,834,130	152.60	Enhancement in profitability
EBITDA to total debts	0.15	0.08	87.50	Adjustment to debt structure
Interest coverage ratio	9.73	3.89	150.13	Adjustment to debt structure
Cash interest coverage ratio	12.39	6.51	90.32	Adjustment to debt structure
EBITDA to interest coverage ratio	12.73	6.31	101.74	Adjustment to debt structure
Loan repayment rate (%)	100%	100%	–	–
Interest repayment ratio (%)	100%	100%	–	–

Others *(continued)**(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)***SUPPLEMENTAL INFORMATION****Explanation on the relevant matters of corporate governance**

During the reporting period, the Company strictly followed the requirements of the “Company Law of the PRC”, “Securities Law of the PRC”, “Code of Corporate Governance for Listed Companies”, “Rules Governing the Listing of Stocks on Shanghai Stock Exchange”, “Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited” and other domestic and foreign laws and regulations. The Company’s corporate governance structure has been further improved, compliance of the operation has been further strengthened and the corporate governance level has been enhanced significantly.

Details regarding the Board and its special committees

During the reporting period, the Board introduced amendment to the Audit and Internal Control Committee, pursuant to which the committee would be entirely comprised of independent Directors and non-executive Director. The Implementation Policy for the Audit and Internal Control Committee of the Board of Directors was also revised, significantly enhancing the independence of audit and internal control; the sustainability-related key performance appraisal by the Nomination and Remuneration Committee was enhanced, the linkage of senior management’s remunerations to ESG performance and the establishment of clawback mechanism were promoted. Furthermore, the Strategic and Sustainable Development (ESG) Committee proposed to regard new energy and new materials as important development directions.

Reform deepening and establishment of policies and workflows

During the reporting period, the Company accelerated the development of a globalised operation and management system with Zijin characteristics, pushed forward the organic integration of ESG sustainable development beliefs, policy and system development as well as the reengineering of workflows and platforms, amended general administrative policies related to procurement, logistics, construction and so on, enhanced the resilience of responsible supply chain, and extensively applied business ethics policies across all of its suppliers.

Overview of investor relations management

The Company attaches great importance to protection of investors’ lawful interests and broadens the communication channels between itself and individual investors, institutional investors, investment managers, ESG-specialised institutions and others. During the reporting period, the Company held an online global results briefing via SSE Roadshow, and hosted relevant activities during the Investors Service Week, a campaign co-organised by the Shanghai Stock Exchange and other institutions, under the theme of “firmly adhering to original aspiration and guiding for value investment”.

Execution of or adjustment to the profit distribution proposal during the reporting period

On 28 May 2021, the 2020 annual general meeting of the Company considered and approved the profit distribution proposal of the Company for the year ended 31 December 2020. On the basis of the Company’s total number of shares (26,327,602,240 shares), the Company paid its qualified shareholders a final cash dividend of RMB1.20 per 10 shares (tax included). The total distribution of cash dividend amounted to RMB3,159,312,268.8 (tax included). The above profit distribution was completed on 9 July 2021.

For details of the profit distribution, please refer to the Company’s Notice of 2020 Annual General Meeting dated 28 April 2021 and the announcements disclosed on the HKEXnews website dated 24 May 2021, 28 May 2021, 9 June 2021 and 9 July 2021.

Others *(continued)*

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

Interim dividend

No interim dividend was declared for the six months ended 30 June 2021 (for the six months ended 30 June 2020: Nil).

Purchase, sale or redemption of listed securities of the Company

Save as disclosed in this report, the Board confirmed that neither the Company nor any of its subsidiaries purchased, sold, redeemed or wrote off any of the Company's listed securities for the six months ended 30 June 2021.

Corporate governance report

As required by provision A.1.8 of Appendix 14 Corporate Governance Code and Corporate Governance Report to the Listing Rules (the "CG Code"), an issuer should arrange appropriate insurance cover in respect of potential legal action against its directors. The Board considered that the Company and the Board had adopted sufficient measures to prevent the Directors from committing errors and minimise the risk in claims against the Directors. Therefore, the Company did not make any relevant insurance arrangement for the six months ended 30 June 2021. Notwithstanding the aforesaid, to further enhance corporate governance, the Board had completed arrangement for the relevant insurance cover in July 2021. As required by provision F.1.3 of the CG Code, an issuer's company secretary should report to the board chairman and/or the chief executive. The Board considers that the company secretary in Hong Kong reporting to the secretary to the Board is more suitable to meet the management needs of the Group and it enables a unified management of all listing-related matters in Hong Kong and Mainland China. As required by provision A.6.7 of the CG Code, independent non-executive directors should attend general meetings. Mr. Mao Jingwen, an independent non-executive Director, was unable to attend the Company's 2020 annual general meeting on 28 May 2021 due to other work appointment.

Save as disclosed above, for the six months ended 30 June 2021, the Board confirmed that the Group has adopted and complied with the provisions of the CG Code and has followed most of its recommended best practices with no deviation.

Audit and Internal Control Committee

The Audit and Internal Control Committee of the Board has reviewed the Group's unaudited financial statements for the six months ended 30 June 2021 and further discussed the auditing, internal control and financial reporting matters. The Audit and Internal Control Committee considers that the Group's financial statements for the six months ended 30 June 2021 are in compliance with the applicable accounting standards and relevant laws and regulations and has made sufficient disclosure.

Independent non-executive Directors

The Company has complied with rules 3.10(1) and 3.10(2) of the Listing Rules, which provide that the Company should appoint a sufficient number of independent non-executive Directors and that at least one of them must have appropriate professional qualifications or accounting or related financial management expertise. The Company has appointed six independent non-executive Directors and one of them possesses accounting and related financial management expertise. Brief biography of the independent non-executive Directors have been provided in the Company's 2020 annual report.

Securities transactions by the Directors and Supervisors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as the model code for the trading of securities by the Directors and the Supervisors of the Company. The effective date was 23 December 2003. Having made specific enquiries with all Directors and Supervisors of the Company, the Company confirmed that all Directors and Supervisors have complied with the provisions of the Model Code for the six months ended 30 June 2021.

Others *(continued)**(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)***Changes in the Directors, Supervisors and senior management of the Company**

There was no change in the Directors, Supervisors and senior management of the Company for the six months ended 30 June 2021.

Appointment and dismissal of auditor

According to the resolution passed at the Company's 2020 annual general meeting, the Company reappointed Ernst & Young Hua Ming LLP as the Company's auditor for the year 2021.

Important events after the reporting period

There is no important event affecting the Group which occurred after the end of the reporting period to the date of this report.

Contingent liabilities

Details of contingent liabilities are set out in Note XII to the financial statements.

Material acquisitions, disposals and mergers

The Company has no material acquisition, disposal or merger of subsidiaries, associates and joint ventures during the reporting period.

Assets pledged or charged of the Group

Details of the Group's pledged or charged assets as at 30 June 2021 are set out in Note V.66 to the financial statements.

Exposure to fluctuations in exchange rates and hedges

Details of the Group's exposure to the fluctuations in exchange rates and related hedges are disclosed in Notes V.68 and VIII.3 to the financial statements.

This report is written in both Chinese and English. In the case of any discrepancies, the Chinese version shall prevail.

By order of the Board of Directors
Zijin Mining Group Co., Ltd.*
Chen Jinghe
Chairman

30 July 2021, Fujian, the PRC

As at the date of this report, the Board of Directors of the Company comprises Messrs. Chen Jinghe (Chairman), Lan Fusheng, Zou Laichang, Lin Hongfu, Ms. Lin Hongying and Mister Xie Xionghui as executive directors, Mister Li Jian as non-executive director, and Messrs. Zhu Guang, Mao Jingwen, Li Changqing, He Fulong, Suen Man Tak and Bo Shao Chun as independent non-executive directors.

* The English name of the Company is for identification purpose only

Consolidated Statement of Financial Position

As at 30 June 2021

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

ASSETS	Note V	30 June 2021 (Unaudited)	31 December 2020 (Audited)
CURRENT ASSETS			
Cash and cash equivalents	1	17,507,796,458	11,955,339,296
Held for trading financial assets	2	2,435,863,775	1,930,142,166
Trade receivables	3	1,526,031,423	1,141,449,611
Receivables financing	4	1,789,602,662	1,584,054,139
Prepayments	5	2,218,841,874	1,410,054,078
Other receivables	6	1,397,572,579	1,195,047,565
Inventories	7	16,578,607,564	18,064,160,420
Current portion of non-current assets	8	16,300,343	40,255,087
Other current assets	9	2,176,155,516	1,941,901,571
Total current assets		45,646,772,194	39,262,403,933
NON-CURRENT ASSETS			
Debt investments	10	455,157,945	255,811,321
Long-term equity investments	11	7,576,061,232	7,099,654,913
Other equity instrument investments	12	8,493,172,725	6,482,326,358
Other non-current financial assets	13	62,500,000	37,500,000
Investment properties	14	120,696,959	124,070,873
Fixed assets	15	48,116,757,218	48,545,670,954
Construction in progress	16	19,810,398,168	15,236,029,582
Right-of-use assets	17	228,581,571	238,255,309
Intangible assets	18	48,270,551,332	46,760,243,982
Goodwill	19	314,149,588	314,149,588
Long-term deferred assets	20	1,396,237,214	1,301,906,634
Deferred tax assets	21	1,218,993,574	1,182,983,944
Other non-current assets	22	16,951,999,313	15,472,243,012
Total non-current assets		153,015,256,839	143,050,846,470
TOTAL ASSETS		198,662,029,033	182,313,250,403

The accompanying notes to financial statements are an integral part of the financial statements.

Consolidated Statement of Financial Position *(continued)*

As at 30 June 2021

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

LIABILITIES AND OWNERS' EQUITY	Note V	30 June 2021 (Unaudited)	31 December 2020 (Audited)
CURRENT LIABILITIES			
Short-term borrowings	23	20,527,029,167	20,719,121,154
Held for trading financial liabilities	24	510,304,355	647,508,441
Bills payable	25	517,422,900	955,561,056
Trade payables	26	4,639,528,460	5,542,998,831
Contract liabilities	27	832,849,899	452,695,891
Employee benefits payable	28	903,047,985	1,317,467,162
Taxes payable	29	3,033,756,215	1,880,291,712
Other payables	30	10,711,700,904	7,371,403,664
Current portion of non-current liabilities	31	9,048,615,069	7,975,748,215
Other current liabilities	32	1,216,618,136	172,904,917
Total current liabilities		51,940,873,090	47,035,701,043
NON-CURRENT LIABILITIES			
Long-term borrowings	33	31,590,879,188	29,082,887,198
Bonds payable	34	11,753,754,891	16,109,678,619
Lease liabilities	35	164,050,316	172,704,600
Long-term payables	36	2,285,650,579	1,946,237,992
Provisions	37	3,392,185,400	4,136,622,582
Deferred income	38	428,847,167	456,711,967
Deferred tax liabilities	21	6,460,462,468	6,543,876,371
Other non-current liabilities	39	2,226,199,087	2,232,388,555
Total non-current liabilities		58,302,029,096	60,681,107,884
TOTAL LIABILITIES		110,242,902,186	107,716,808,927

The accompanying notes to financial statements are an integral part of the financial statements.

Consolidated Statement of Financial Position *(continued)*

As at 30 June 2021

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

LIABILITIES AND OWNERS' EQUITY <i>(continued)</i>	Note V	30 June 2021 (Unaudited)	31 December 2020 (Audited)
EQUITY			
Share capital	40	2,632,760,224	2,537,725,995
Other equity instruments	41	4,486,950,000	5,355,681,209
<i>Including: Renewable corporate bonds</i>		4,486,950,000	4,486,950,000
Capital reserve	42	25,097,575,771	18,610,084,074
Less: Treasury shares	43	463,586,298	–
Other comprehensive income	44	2,396,831,713	812,570,699
Special reserve	45	178,557,744	154,686,505
Surplus reserve	46	1,319,401,104	1,319,401,104
Retained earnings	47	31,238,120,747	27,748,404,618
Equity attributable to owners of the parent		66,886,611,005	56,538,554,204
Non-controlling interests		21,532,515,842	18,057,887,272
TOTAL EQUITY		88,419,126,847	74,596,441,476
TOTAL LIABILITIES AND OWNERS' EQUITY		198,662,029,033	182,313,250,403

The financial statements were signed by the followings:

Legal representative:

Principal in charge of accounting:

Head of accounting department:

Chen Jinghe**Wu Honghui****Qiu Shoucai***The accompanying notes to financial statements are an integral part of the financial statements.*

Consolidated Statement of Profit or Loss

For the six months ended 30 June 2021

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

	Note V	For the six months ended 30 June 2021 (Unaudited)	For the six months ended 30 June 2020 (Unaudited)
OPERATING INCOME	48	109,863,361,694	83,142,262,114
Less: Operating costs	48	93,957,291,358	74,016,285,931
Taxes and surcharges	49	1,591,363,517	1,186,119,620
Selling expenses	50	219,694,132	330,176,103
Administrative expenses	51	2,485,704,709	1,825,200,364
Research and development expenses	52	317,077,141	251,270,945
Financial expenses	53	751,312,980	918,149,434
Including: Interest expenses		1,010,670,598	1,164,881,403
Interest income		367,135,509	276,774,340
Add: Other income	54	157,534,876	151,750,120
Investment income	55	586,940,233	27,239,648
Including: Share of profits of associates and joint ventures		573,589,107	89,172,185
Losses on changes in fair value	56	(149,849,660)	(226,816,398)
Credit impairment gains	57	596,564,018	758,951
Impairment losses on assets	58	(97,710,684)	(211,397,991)
(Losses)/Gains on disposal of non-current assets	59	(898,818)	3,157,191
OPERATING PROFIT		11,633,497,822	4,359,751,238
Add: Non-operating income	60	29,036,845	53,508,572
Less: Non-operating expenses	61	192,926,830	318,742,296
PROFIT BEFORE TAX		11,469,607,837	4,094,517,514
Less: Income tax expenses	62	2,559,106,631	1,003,523,337
NET PROFIT		8,910,501,206	3,090,994,177
Classification according to the continuity of operation			
Net profit from continuing operations		8,910,501,206	3,090,994,177
Attributable to:			
Owners of the parent		6,649,028,398	2,421,386,475
Non-controlling interests		2,261,472,808	669,607,702

The accompanying notes to financial statements are an integral part of the financial statements.

Consolidated Statement of Profit or Loss *(continued)*

For the six months ended 30 June 2021

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

	Note V	For the six months ended 30 June 2021 (Unaudited)	For the six months ended 30 June 2020 (Unaudited)
NET OTHER COMPREHENSIVE INCOME/(LOSS) AFTER TAX			
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods			
Changes in fair value of other equity instrument investments	44	1,957,367,225	(421,363,440)
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods			
Hedging costs – forward elements	44	1,834,614	(11,860,837)
Exchange differences arising from translation of financial statements denominated in foreign currencies	44	(374,940,825)	(308,315,301)
Other comprehensive income/(loss) attributable to owners of the parent		1,584,261,014	(741,539,578)
Other comprehensive (loss)/income attributable to non-controlling interests		(108,190,152)	75,951,090
Sub-total of net other comprehensive income/(loss) after tax		1,476,070,862	(665,588,488)
TOTAL COMPREHENSIVE INCOME		10,386,572,068	2,425,405,689
Attributable to:			
Owners of the parent		8,233,289,412	1,679,846,897
Non-controlling shareholders		2,153,282,656	745,558,792
Earnings per share	63		
Basic earnings per share		0.262	0.095
Diluted earnings per share		0.262	0.095

The accompanying notes to financial statements are an integral part of the financial statements.

Consolidated Statement of Changes in Equity

For the six months ended 30 June 2021

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

(Unaudited)	Attributable to owners of the parent							Non-controlling interests	Total equity			
	Share capital	Other equity instruments Renewable corporate bonds	Other equity instruments Others	Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve			Surplus reserve	Retained earnings	Subtotal
I. Opening balance of the current year	2,537,725,995	4,486,950,000	868,731,209	18,610,084,074	-	812,570,699	154,686,505	1,319,401,104	27,748,404,618	56,538,554,204	18,057,887,272	74,596,441,476
II. Changes for the period	95,034,229	-	(868,731,209)	6,487,491,697	463,586,298	1,584,261,014	23,871,239	-	3,489,716,129	10,348,056,801	3,474,628,570	13,822,685,371
(I) Total comprehensive income	-	-	-	-	-	1,584,261,014	-	-	6,649,028,398	8,233,289,412	2,153,282,656	10,386,572,068
(II) Owners' contributions and reductions in capital	95,034,229	-	(868,731,209)	6,487,491,697	463,586,298	-	-	-	-	5,250,208,419	2,189,664,192	7,439,872,611
1. Capital contributed by owners	-	-	-	-	-	-	-	-	-	-	2,147,816,400	2,147,816,400
2. Business combination not involving enterprises under common control	-	-	-	-	-	-	-	-	-	-	-	-
3. Capital contributed/ (reduced) by other equity instrument holders	-	-	-	-	-	-	-	-	-	-	-	-
4. Others	95,034,229	-	(868,731,209)	6,487,491,697	463,586,298	-	-	-	-	5,250,208,419	41,847,792	5,292,056,211
(III) Profit distributions	-	-	-	-	-	-	-	-	(3,159,312,269)	(3,159,312,269)	(875,205,558)	(4,034,517,827)
1. Distributions to owners	-	-	-	-	-	-	-	-	(3,159,312,269)	(3,159,312,269)	(875,205,558)	(4,034,517,827)
2. Others	-	-	-	-	-	-	-	-	-	-	-	-
(IV) Transfer within equity	-	-	-	-	-	-	-	-	-	-	-	-
1. Other comprehensive income transferred to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-
(V) Special reserve	-	-	-	-	-	-	23,871,239	-	-	23,871,239	6,887,280	30,758,519
1. Transferred to special reserve in the current period	-	-	-	-	-	-	375,237,523	-	-	375,237,523	38,380,866	413,618,389
2. Amount utilised in the current period	-	-	-	-	-	-	(351,366,284)	-	-	(351,366,284)	(31,493,586)	(382,859,870)
III. Closing balance of the current period	2,632,760,224	4,486,950,000	-	25,097,575,771	463,586,298	2,396,831,713	178,557,744	1,319,401,104	31,238,120,747	66,886,611,005	21,532,515,842	88,419,126,847

The accompanying notes to financial statements are an integral part of the financial statements.

Consolidated Statement of Changes in Equity *(continued)*

For the six months ended 30 June 2020

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

(Unaudited)	Attributable to owners of the parent						Non-controlling interests	Total equity		
	Share capital	Other equity instruments	Capital reserve	Other comprehensive income	Special reserve	Surplus reserve			Retained earnings	Subtotal
I. Opening balance of the current year	2,537,725,995	4,985,500,000	18,690,342,400	(473,929,209)	120,952,216	1,319,401,104	24,005,972,520	51,185,965,026	5,893,633,038	57,079,598,064
II. Changes for the period	-	-	(82,999,108)	(741,539,578)	64,596,818	-	(116,339,520)	(876,281,388)	3,261,988,606	2,385,707,218
(i) Total comprehensive income	-	-	-	(741,539,578)	-	-	2,421,386,475	1,679,846,897	745,558,792	2,425,405,689
(ii) Owners' contributions and reductions in capital	-	-	-	-	-	-	-	-	-	-
1. Capital contributed by owners	-	-	-	-	-	-	-	-	-	-
2. Others	-	-	(82,999,108)	-	-	-	-	(82,999,108)	(38,969,883)	(121,968,991)
(iii) Profit distributions	-	-	-	-	-	-	(2,537,725,995)	(2,537,725,995)	(462,906,235)	(3,000,632,230)
1. Distributions to owners	-	-	-	-	-	-	-	-	-	-
(iv) Special reserve	-	-	-	-	321,479,365	-	-	321,479,365	24,368,274	345,847,639
1. Transferred to special reserve in the current period	-	-	-	-	(256,882,547)	-	-	(256,882,547)	(23,596,774)	(280,479,321)
2. Amount utilised in the current period	-	-	-	-	-	-	-	-	-	-
III. Closing balance of the current period	2,537,725,995	4,985,500,000	18,607,343,292	(1,215,468,787)	185,549,034	1,319,401,104	23,889,633,000	50,309,683,638	9,155,621,644	59,465,305,282

The accompanying notes to financial statements are an integral part of the financial statements.

Consolidated Statement of Cash Flows

For the six months ended 30 June 2021

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

	Note V	For the six months ended 30 June 2021 (Unaudited)	For the six months ended 30 June 2020 (Unaudited)
I. CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash receipts from sale of goods and rendering of services		112,987,471,663	85,140,582,276
Refund of taxes		790,728,626	414,681,038
Other cash receipts relating to operating activities	64	209,347,851	332,087,338
Sub-total of cash inflows from operating activities		113,987,548,140	85,887,350,652
Cash payments for goods purchased and services received		90,974,305,517	73,243,627,872
Cash payments to and on behalf of employees		3,601,725,527	2,616,815,653
Payments of various types of taxes		4,474,990,114	2,486,111,182
Other cash payments relating to operating activities	64	2,911,471,629	1,065,718,777
Sub-total of cash outflows used in operating activities		101,962,492,787	79,412,273,484
Net cash flows from operating activities	64	12,025,055,353	6,475,077,168
II. CASH FLOWS FROM INVESTING ACTIVITIES:			
Cash receipts from disposals and recovery of investments		852,980,315	486,019,428
Cash receipts from investment income		228,173,014	25,023,858
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets		2,824,795	16,803,857
Other cash receipts relating to investing activities	64	485,845,336	40,282,225
Sub-total of cash inflows from investing activities		1,569,823,460	568,129,368
Cash payments for acquisitions or constructions of fixed assets, intangible assets and other long-term assets		10,552,223,558	3,762,262,525
Cash payments for acquisitions of investments		1,042,925,050	10,749,748,329
Other cash payments relating to investing activities	64	2,166,129,692	2,673,286,438
Sub-total of cash outflows used in investing activities		13,761,278,300	17,185,297,292
Net cash flows used in investing activities		(12,191,454,840)	(16,617,167,924)

The accompanying notes to financial statements are an integral part of the financial statements.

Consolidated Statement of Cash Flows *(continued)*

For the six months ended 30 June 2021

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

	Note V	For the six months ended 30 June 2021 (Unaudited)	For the six months ended 30 June 2020 (Unaudited)
III. CASH FLOWS FROM FINANCING ACTIVITIES:			
Cash receipts from capital contributions		2,620,079,970	3,015,645,020
<i>Including: Cash receipts from capital contributions from non-controlling shareholders of subsidiaries</i>		2,145,176,000	3,015,645,020
Cash receipts from borrowings		24,876,371,406	16,157,262,230
Cash receipts from the gold leasing business		4,907,152,577	4,883,713,667
Cash receipts from issuance of bonds and ultra short-term financing bonds		5,775,000,000	7,564,790,364
Other cash receipts relating to financing activities	64	–	172,504,927
Sub-total of cash inflows from financing activities		38,178,603,953	31,793,916,208
Cash repayments of borrowings		24,236,366,940	9,170,131,600
Cash repayments of the gold leasing business		4,412,213,706	2,846,128,117
Cash repayments of bonds and ultra short-term financing bonds		2,327,358,142	2,000,000,000
Cash payments for distribution of dividends or profits or settlement of interest expenses		1,823,810,542	1,750,469,222
<i>Including: Payments for distribution of dividends or profits to non-controlling shareholders of subsidiaries</i>		876,017,518	469,014,817
Other cash payments relating to financing activities	64	206,866,209	2,807,885,568
Sub-total of cash outflows used in financing activities		33,006,615,539	18,574,614,507
Net cash flows from financing activities		5,171,988,414	13,219,301,701
IV. EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		34,264,234	(24,221,274)
V. NET INCREASE IN CASH AND CASH EQUIVALENTS		5,039,853,161	3,052,989,671
Add: Opening balance of cash and cash equivalents	65	11,786,686,240	6,085,591,450
VI. CLOSING BALANCE OF CASH AND CASH EQUIVALENTS		16,826,539,401	9,138,581,121

The accompanying notes to financial statements are an integral part of the financial statements.

Company Statement of Financial Position

As at 30 June 2021

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

ASSETS	Note XV	30 June 2021 (Unaudited)	31 December 2020 (Audited)
CURRENT ASSETS			
Cash and cash equivalents		6,672,760,691	4,978,921,732
Held for trading financial assets		39,372,001	154,103,201
Trade receivables	1	1,327,185,258	577,170,602
Receivables financing		202,321,099	141,745,670
Prepayments		20,869,251	26,232,815
Other receivables	2	7,600,223,242	9,348,643,976
Inventories		61,159,589	84,958,826
Other current assets		206,589,458	148,973,363
Total current assets		16,130,480,589	15,460,750,185
NON-CURRENT ASSETS			
Debt investments		200,000,000	–
Long-term equity investments	3	50,725,392,677	45,379,313,351
Other equity instrument investments		292,105,269	273,612,810
Other non-current financial assets		62,500,000	37,500,000
Fixed assets	4	3,247,901,552	3,288,166,669
Construction in progress	5	479,333,852	424,961,450
Right-of-use assets		–	4,052,312
Intangible assets	6	261,378,031	262,257,963
Long-term deferred assets	7	179,952,354	199,938,953
Deferred tax assets		220,883,385	270,081,624
Other non-current assets	8	11,692,352,291	12,444,168,528
Total non-current assets		67,361,799,411	62,584,053,660
TOTAL ASSETS		83,492,280,000	78,044,803,845

The accompanying notes to financial statements are an integral part of the financial statements.

Company Statement of Financial Position *(continued)*

As at 30 June 2021

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

LIABILITIES AND OWNERS' EQUITY	Note XV	30 June 2021 (Unaudited)	31 December 2020 (Audited)
CURRENT LIABILITIES			
Short-term borrowings		7,998,864,082	8,421,649,702
Held for trading financial liabilities		–	–
Trade payables	9	501,534,073	516,339,962
Contract liabilities		13,367,699	22,099,051
Employee benefits payable		298,903,428	316,391,579
Taxes payable		276,957,883	25,535,472
Other payables		4,550,454,280	541,957,213
Current portion of non-current liabilities		4,116,732,306	4,611,041,132
Other current liabilities		1,107,768,572	98,534,326
Total current liabilities		18,864,582,323	14,553,548,437
NON-CURRENT LIABILITIES			
Long-term borrowings		5,261,649,650	5,865,038,200
Bonds payable	10	10,784,740,108	15,117,773,951
Lease liabilities		–	2,740,466
Long-term payables	11	6,460,628,782	3,963,428,782
Provisions		271,999,097	307,513,434
Deferred income		152,403,165	158,994,057
Deferred tax liabilities		1,770,602	72,220,672
Other non-current liabilities		226,277,348	226,277,348
Total non-current liabilities		23,159,468,752	25,713,986,910
TOTAL LIABILITIES		42,024,051,075	40,267,535,347
EQUITY			
Share capital		2,632,760,224	2,537,725,995
Other equity instruments		4,486,950,000	5,355,681,209
<i>Including: Renewable corporate bonds</i>		<i>4,486,950,000</i>	<i>4,486,950,000</i>
Capital reserve		27,212,243,793	20,662,750,813
Less: Treasury shares		463,586,298	–
Other comprehensive income		(88,730,105)	(105,445,925)
Surplus reserve		1,268,862,997	1,268,862,997
Retained earnings		6,419,728,314	8,057,693,409
TOTAL EQUITY		41,468,228,925	37,777,268,498
TOTAL LIABILITIES AND OWNERS' EQUITY		83,492,280,000	78,044,803,845

The accompanying notes to financial statements are an integral part of the financial statements.

Company Statement of Profit or Loss

For the six months ended 30 June 2021

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

	Note XV	For the six months ended 30 June 2021 (Unaudited)	For the six months ended 30 June 2020 (Unaudited)
OPERATING INCOME	12	2,982,926,731	2,114,775,594
Less: Operating costs	12	1,014,792,159	1,057,785,007
Taxes and surcharges		170,631,985	125,679,308
Selling expenses		448,130	4,472,713
Administrative expenses		581,369,178	314,655,922
Research and development expenses		145,199,174	111,874,289
Financial expenses	13	402,254,319	205,822,153
Including: Interest expenses		700,143,815	500,961,640
Interest income		337,837,343	276,254,537
Add: Other income		11,338,848	23,482,643
Investment income	15	1,110,382,745	825,399,952
Including: Share of profits of associates and joint ventures		540,179,836	105,978,775
(Losses)/Gains on changes in fair value		(114,731,200)	14,107,677
Credit impairment (losses)/gains	14	(28,416,398)	209,449
Impairment losses on assets	14	-	(2,861,192)
Gains on disposal of non-current assets		458,138	321,313
OPERATING PROFIT		1,647,263,919	1,155,146,044
Add: Non-operating income		1,787,254	660,013
Less: Non-operating expenses		5,163,780	20,526,750
PROFIT BEFORE TAX		1,643,887,393	1,135,279,307
Less: Income tax expenses		122,540,219	38,467,496
NET PROFIT		1,521,347,174	1,096,811,811
Including: Net profit from continuing operations		1,521,347,174	1,096,811,811
NET OTHER COMPREHENSIVE INCOME/(LOSS) AFTER TAX			
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods			
Changes in fair value of other equity instrument investments		16,715,820	(18,996,663)
TOTAL COMPREHENSIVE INCOME		1,538,062,994	1,077,815,148

The accompanying notes to financial statements are an integral part of the financial statements.

Company Statement of Changes in Equity

For the six months ended 30 June 2021

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

(Unaudited)	Share capital		Other equity instruments		Capital reserve	Less: Treasury shares	Other comprehensive income		Special reserve	Surplus reserve	Retained earnings	Total equity
	Renewable corporate bonds	Others	Renewable corporate bonds	Others			Less: Treasury shares	Other comprehensive income				
I.	Closing balance of the preceding year and opening balance of the current year	2,537,725,995	4,486,950,000	868,731,209	20,662,750,813	-	(105,445,925)	-	1,268,862,997	8,057,693,409	37,777,268,498	
II.	Changes for the period	95,034,229	-	(868,731,209)	6,549,492,980	463,586,298	16,715,820	-	-	(1,637,965,095)	3,690,960,427	
(i)	Total comprehensive income	-	-	-	-	-	16,715,820	-	-	1,521,347,174	1,538,062,994	
(ii)	Owners' contributions and reductions in capital	-	-	-	-	-	-	-	-	-	-	
	1. Capital contributed by owners	95,034,229	-	(868,731,209)	6,549,492,980	463,586,298	-	-	-	-	5,312,209,702	
	2. Others	-	-	-	-	-	-	-	-	-	-	
(iii)	Profit distributions	95,034,229	-	(868,731,209)	6,549,492,980	463,586,298	-	-	-	-	5,312,209,702	
	1. Transferred to surplus reserve	-	-	-	-	-	-	-	-	(3,159,312,269)	(3,159,312,269)	
	2. Distributions to owners	-	-	-	-	-	-	-	-	-	-	
	3. Others	-	-	-	-	-	-	-	-	-	-	
(iv)	Transfer within equity	-	-	-	-	-	-	-	-	-	-	
	1. Other comprehensive income transferred to retained earnings	-	-	-	-	-	-	-	-	-	-	
(v)	Special reserve	-	-	-	-	-	-	-	-	-	-	
	1. Transferred to special reserve in the current period	-	-	-	-	-	-	-	84,255,556	-	84,255,556	
	2. Amount utilised in the current period	-	-	-	-	-	(84,255,556)	-	-	-	(84,255,556)	
III.	Closing balance of the current period	2,632,760,224	4,486,950,000	-	27,212,243,793	463,586,298	(88,730,105)	-	1,268,862,997	6,419,728,314	41,468,228,925	

The accompanying notes to financial statements are an integral part of the financial statements.

Company Statement of Changes in Equity *(continued)*

For the six months ended 30 June 2020

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

(Unaudited)	Share capital	Other equity instruments	Capital reserve	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Total equity
I. Closing balance of the preceding year and opening balance of the current year	2,537,725,995	4,985,500,000	20,662,750,813	(119,160,647)	-	1,268,862,997	9,274,868,866	38,610,548,024
II. Changes for the period	-	-	-	(18,996,663)	-	-	(1,440,914,184)	(1,459,910,847)
(i) Total comprehensive income	-	-	-	(18,996,663)	-	-	1,096,811,811	1,077,815,148
(ii) Profit distributions	-	-	-	-	-	-	-	-
1. Distributions to owners	-	-	-	-	-	-	(2,537,725,995)	(2,537,725,995)
(iii) Special reserve	-	-	-	-	-	-	-	-
1. Transferred to special reserve in the current period	-	-	-	-	85,593,229	-	-	85,593,229
2. Amount utilised in the current period	-	-	-	-	(85,593,229)	-	-	(85,593,229)
III. Closing balance of the current period	2,537,725,995	4,985,500,000	20,662,750,813	(138,157,310)	-	1,268,862,997	7,833,954,682	37,150,637,177

The accompanying notes to financial statements are an integral part of the financial statements.

Company Statement of Cash Flows

For the six months ended 30 June 2021

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

	Note XV	For the six months ended 30 June 2021 (Unaudited)	For the six months ended 30 June 2020 (Unaudited)
I. CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash receipts from sale of goods and rendering of services		2,400,713,385	3,023,336,826
Other cash receipts relating to operating activities		208,421,769	143,130,318
Sub-total of cash inflows from operating activities		2,609,135,154	3,166,467,144
Cash payments for goods purchased and services received		877,705,639	764,081,173
Cash payments to and on behalf of employees		505,114,668	366,320,243
Payments of various types of taxes		337,522,096	222,942,581
Other cash payments relating to operating activities		115,630,417	166,032,835
Sub-total of cash outflows used in operating activities		1,835,972,820	1,519,376,832
Net cash flows from operating activities	16	773,162,334	1,647,090,312
II. CASH FLOWS FROM INVESTING ACTIVITIES:			
Cash receipts from disposals and recovery of investments		530,279,717	–
Cash receipts from investment income		910,795,674	772,485,950
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets		1,195,264	285,848
Other cash receipts relating to investing activities		4,683,892,933	2,254,571,952
Sub-total of cash inflows from investing activities		6,126,163,588	3,027,343,750
Cash payments for acquisitions or constructions of fixed assets, intangible assets and other long-term assets		189,860,881	232,200,392
Cash payments for acquisitions of investments		5,366,399,490	5,698,338,664
Other cash payments relating to investing activities		2,234,614,990	2,988,681,700
Sub-total of cash outflows used in investing activities		7,790,875,361	8,919,220,756
Net cash flows used in investing activities		(1,664,711,773)	(5,891,877,006)

The accompanying notes to financial statements are an integral part of the financial statements.

Company Statement of Cash Flows *(continued)*

For the six months ended 30 June 2021

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

	Note XV	For the six months ended 30 June 2021 (Unaudited)	For the six months ended 30 June 2020 (Unaudited)
III. CASH FLOWS FROM FINANCING ACTIVITIES:			
Cash receipts from capital contributions		474,903,970	–
Cash receipts from issuance of bonds and ultra short-term financing bonds		5,775,000,000	6,500,000,000
Cash receipts from borrowings		680,000,000	55,500,000
Cash receipts from the gold leasing business		3,034,420,000	3,205,538,372
Other cash receipts relating to financing activities		332,047,073	104,975,576
Sub-total of cash inflows from financing activities		10,296,371,043	9,866,013,948
Cash repayments of borrowings		1,274,885,000	556,405,700
Cash repayments of the gold leasing business		3,205,965,500	1,827,426,500
Cash repayments of bonds and ultra short-term financing bonds		2,327,358,142	2,000,000,000
Cash payments for distribution of dividends or profits or settlement of interest expenses		551,896,893	391,112,863
Other cash payments relating to financing activities		72,039,956	19,797,957
Sub-total of cash outflows used in financing activities		7,432,145,491	4,794,743,020
Net cash flows from financing activities		2,864,225,552	5,071,270,928
IV. EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		(7,978,969)	(20,251,458)
V. NET INCREASE IN CASH AND CASH EQUIVALENTS	16	1,964,697,144	806,232,776
Add: Opening balance of cash and cash equivalents		4,707,227,310	1,556,787,424
VI. CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	16	6,671,924,454	2,363,020,200

The accompanying notes to financial statements are an integral part of the financial statements.

Notes to Financial Statements

For the six months ended 30 June 2021

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

I. CORPORATE INFORMATION

Zijin Mining Group Company Limited* (the "Company") is a joint stock limited liability company, registered in Fujian Province of the People's Republic of China (the "PRC") on 6 September 2000, under the "Company Law of the People's Republic of China" (the "Company Law"). The Company's unified social credit code is 91350000157987632G.

As approved by the People's Government of Fujian Province (Min Zheng Ti Gu (2000) No. 22), on 17 August 2000, Minxi Xinghang State-owned Assets Investment Company Limited ("Minxi Xinghang") as the principal promoter, together with other promoters including Xinhua Industrial Group Company Limited ("Xinhua Industrial"), Shanghang County Jinshan Trading Company Limited ("Shanghang County Jinshan Trading"), Fujian Xinhua Engineering Company Limited, Xiamen Hengxing Group Company Limited, Fujian Xinhua Department Store Company Limited, Fujian Gold Group Company Limited ("Fujian Gold Group") and Fujian Minxi Geological Team ("Minxi Geological Team") and others, transformed Fujian Province Minxi Zijin Mining Group Company Limited into Fujian Zijin Mining Industry Company Limited since 31 December 1999, as the base date of reorganisation. On 16 June 2004, the Company's name was changed from Fujian Zijin Mining Industry Company Limited to Zijin Mining Group Company Limited*.

Pursuant to the Resolution at the First Extraordinary General Meeting on 28 June 2003 and the "Approval in relation to Issuing Overseas-listed Foreign Shares by Fujian Zijin Mining Industry Company Limited" (Zheng Jian Guo He Zi [2003] No. 41) granted by the China Securities Regulatory Commission (the "CSRC") on 18 November 2003, the Company publicly issued 400,544,000 overseas listed foreign shares with a nominal value of RMB0.1 per share at an issue price of Hong Kong dollar ("HKD") 3.3 (approximately RMB3.516) per share; and Minxi Xinghang, Fujian Gold Group and Minxi Geological Team sold their 36,413,090 state-owned shares at an issue price of HKD3.3 (approximately RMB3.516) per share. As a result of the issuance, the Company's registered capital was changed to RMB131,413,091. Pursuant to the Resolution at the Annual General Meeting for year 2003 dated 28 May 2004 on the conversion of capital reserve into share capital, the Company converted its capital reserve of RMB131,413,091 into 1,314,130,910 shares with a nominal value of RMB0.1 per share; the Company's registered capital was then changed to RMB262,826,182. Pursuant to the Resolution at the Annual General Meeting for year 2004 dated 31 May 2005 on the conversion of capital reserve into share capital, the Company converted its capital reserve of RMB262,826,182 into 2,628,261,820 shares with a nominal value of RMB0.1 per share; the Company's registered capital was then changed to RMB525,652,364. Pursuant to the Resolution at the Annual General Meeting for the year 2005 dated 18 May 2006 on the conversion of capital reserve into share capital, the Company converted capital reserve of RMB525,652,364 into 5,256,523,640 shares with a nominal value of RMB0.1 per share (i.e., every 10 existing ordinary shares for 10 newly issued ordinary shares as a bonus issue based on the 5,256,523,640 issued shares as at the end of 2005). Pursuant to the Resolution at the Annual General Meeting for the year 2006 dated 30 April 2007 on the conversion of capital reserve into share capital, the Company converted capital reserve of RMB262,826,182 into 2,628,261,820 shares with a nominal value of RMB0.1 per share (i.e., every 10 existing ordinary shares for 2.5 newly issued ordinary shares as a bonus issue based on the 10,513,047,280 issued shares as at the end of 2006). As such, the Company's registered capital was changed to RMB1,314,130,910. On 25 April 2008, as approved by the CSRC ([2008] No. 417) and the Shanghai Stock Exchange (Shang Zheng Shang Zi [2008] No. 29) respectively, the Company issued 1.4 billion ordinary shares with a nominal value of RMB0.1 per share at an issue price of RMB7.13 per share and the shares of the Company were listed on the Shanghai Stock Exchange ("IPO A shares"). As such, the Company's registered capital was changed to RMB1,454,130,910.

The 1,050,000,000 IPO A Shares issued through the internet became publicly floating on the Shanghai Stock Exchange on 25 April 2008. The 350,000,000 IPO A Shares issued offline became publicly floating on the Shanghai Stock Exchange on 25 July 2008. Except for 4,210,902,100 shares held by Minxi Xinghang with a lockup period of 36 months, the aggregate of 4,924,966,980 shares held by other holders of domestic shares had a lockup period of 12 months from the date when the IPO A Shares were listed. Such shares became publicly floating on 27 April 2009, representing a total proportion of 33.87% of issued capital. Up to the reporting date, all the above issued shares of the Company were publicly floating.

Pursuant to the Resolution at the Annual General Meeting for the year 2010 dated 30 May 2011 on the conversion of capital reserve into share capital, the Company converted capital reserve of RMB727,065,455 into 7,270,654,550 shares with a nominal value of RMB0.1 per share, i.e., 5 new shares for every 10 existing shares based on the total number of issued shares of 14,541,309,100 as at the end of 2010.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

I. CORPORATE INFORMATION *(continued)*

On 28 May 2013, the Company held the 2012 Annual General Meeting, the first A Shareholders' class meeting in 2013 and the first H Shareholders' class meeting in 2013. A resolution in relation to the proposal of granting a general mandate to the board of directors of the Company to repurchase H Shares was considered and approved. The Company carried out repurchases of H Shares on 21 August 2013, 13 November 2013, 4 December 2013, 10 December 2013, 16 December 2013, 18 December 2013 and 23 December 2013. As at 31 December 2013, the aggregate number of repurchased H Shares reached 111,806,000.

On 28 May 2014, the Company held the 2013 Annual General Meeting, the first A Shareholders' class meeting in 2014 and the first H Shareholders' class meeting in 2014. A resolution in relation to the proposal of granting a general mandate to the board of directors of the Company to repurchase H Shares was considered and approved. The Company carried out repurchases of H Shares on 3 January 2014, 10 January 2014, 7 February 2014, 15 September 2014, 18 September 2014, 19 September 2014, 22 September 2014, 28 October 2014, 6 November 2014, 7 November 2014 and 18 November 2014. As at 31 December 2014, the aggregate number of repurchased H Shares reached 127,344,000.

On 11 May 2015, the Company held the 2014 Annual General Meeting, the first A Shareholders' class meeting in 2015 and the first H Shareholders' class meeting in 2015. A resolution in relation to the proposal of granting a general mandate to the board of directors of the Company to repurchase H Shares was considered and approved. The authorisation period was up to the convention date of the 2015 Annual General Meeting, i.e., 20 June 2016. The Company carried out repurchases of H Shares on 9 June 2015, 10 June 2015, 17 June 2015, 18 June 2015, 19 June 2015, 22 June 2015, 23 June 2015, 26 June 2015, 29 June 2015 and 30 June 2015. As at 31 December 2015, the aggregate number of repurchased H Shares reached 29,570,000.

The Company further repurchased H Shares on 13 January 2016. As at 31 December 2016, the aggregate number of repurchased H Shares reached 2,500,000.

Pursuant to the second Extraordinary General Meeting in 2016 of the Company held on 25 August 2016 and Approval for Non-public Issuance of A Shares of Zijin Mining Group Co., Ltd.* (Zheng Jian Xu Ke [2017] No. 289) issued by the CSRC on 9 May 2017, the Company non-publicly issued 1,490,475,241 ordinary A Shares (with par value of RMB0.1) at an issuance price of RMB3.11 per share on 23 May 2017. The Company's registered capital was then changed to RMB2,303,121,889.

Pursuant to the first Extraordinary General Meeting in 2019 of the Company held on 12 April 2019 and Approval for Public Issuance of A Shares of Zijin Mining Group Co., Ltd.* (Zheng Jian Xu Ke [2019] No. 1942) issued by the CSRC on 28 October 2019, the Company publicly issued 2,346,041,055 ordinary A Shares (with par value of RMB0.1) at an issuance price of RMB3.41 per share on 21 November 2019. The Company's registered capital was then changed to RMB2,537,725,995.

Pursuant to the authorisation to the Board under the resolution in relation to authorisation to the Board to handle all the matters relating to the restricted A Share incentive scheme considered and approved at the third Extraordinary General Meeting in 2020, the third A Shareholders' class meeting in 2020 and the third H Shareholders' class meeting in 2020 of the Company, the proposal in relation to the grant of restricted A Shares to the participants under the first grant was considered and approved at the Company's first extraordinary meeting in 2021 of the seventh term of the Board and the first extraordinary meeting in 2021 of the seventh term of the Supervisory Committee on 13 January 2021. It was determined that the grant date of the Company's restricted A Shares to be issued under the restricted A Share incentive scheme was 13 January 2021, and the Company would grant 97,490,000 restricted A Shares to 697 participants at a grant price of RMB4.95 per A Share. On 28 January 2021, the Company completed the registration of shares at China Securities Depository and Clearing Company Limited Shanghai Branch. 686 participants of the restricted A Share incentive scheme were granted 95,980,600 restricted A Shares. The listing date of such A Shares was 29 January 2021. The registered capital of the Company was correspondingly changed to RMB2,547,324,055.

Pursuant to the matters related to public issuance of A Share convertible corporate bonds considered and approved at the second Extraordinary General Meeting in 2020 of the Company held on 20 July 2020, the Company obtained the Reply of Approval on the Matters in relation to the Public Issuance of A Share Convertible Corporate Bonds by Zijin Mining Group Co., Ltd.* of the State-owned Assets Supervision and Administration Commission of Longyan City (Longguozi [2020] No. 90) issued by the State-owned Assets Supervision and Administration Commission of the People's Government of Longyan City. The public issuance of A Share convertible corporate bonds of the Company was approved by the CSRC (Zhengjian Xuke [2020] No. 2613).

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

I. CORPORATE INFORMATION *(continued)*

On 3 November 2020, the Company publicly issued A Share convertible corporate bonds with a total issuance amount of RMB6 billion and the conversion began on 10 May 2021. As the terms of redemption of the A Share convertible corporate bonds had been triggered, the Company convened a board meeting on 28 May 2021, at which it was determined that early redemption right would be exercised. As at the record date for redemption (25 June 2021) after market closed, the cumulative number of A Shares converted from "Zijin Convertible Bonds" was 854,361,694. Starting from 28 June 2021, "Zijin Convertible Bonds" (bond code: 113041) had been delisted from the Shanghai Stock Exchange. The share capital of the Company was correspondingly changed to RMB2,632,760,224.

The main business activities of the Company and its subsidiaries (the "Group") include: exploration of minerals; mining and processing of gold ores; gold refinery; mining and processing of copper ores; copper refinery; integration service on information and technology systems; consultation service on information and technology; sales of jewellery and ornaments, crafts and arts products, mineral products, machinery and equipment, chemical products (excluding dangerous chemical products and precursor chemicals products of poisons); hydropower generation; investment in the mining industry, hotel industry and construction industry; foreign trade; land transportation of general goods; land transportation of hazardous goods. Open pit mining of copper and gold ores, underground mining of copper; research and development of mining engineering technology, mining machinery and equipment specifically for use in metallurgy; manufacture of mining machinery and equipment specifically for use in metallurgy; tourist accommodations (only for branches). (Items which require approvals under the law shall be subject to the approval from the relevant departments before the commencement of business.)

The largest shareholder of the Group is Minxi Xinghang, which is registered and established in the PRC.

The financial statements were approved by the Company's board of directors on 30 July 2021.

The scope of consolidation in the consolidated financial statements is determined on the basis of control. The changes in the current period are disclosed in Note VI.

II. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements were prepared in accordance with the Basic Standards and the Specific Standards of Accounting Standards for Business Enterprises ("ASBE") issued by the Ministry of Finance ("MOF"), and Application Guidance for ASBE, interpretations and other relevant regulations issued and revised thereafter (hereafter referred to as "CAS").

The financial statements have been prepared on a going concern basis.

Except for certain financial instruments, the financial statements have been prepared using the historical cost as the principle of measurement. Held for sale disposal groups are presented at the lower of book value and net amount of the fair value less the selling expenses. Where assets are impaired, provisions for asset impairment are made in accordance with the relevant requirements.

As at 30 June 2021, the Group recorded current assets of RMB45,646,772,194 and current liabilities of RMB51,940,873,090. The balance of the current assets was less than that of the current liabilities. In view of this circumstance, the management of the Company has given consideration to the future liquidity of the Group and its available financial sources in assessing whether the Group will have sufficient financial resources to continue as a going concern, mainly including that the Group generates sufficient net cash flows from operating activities and has sufficient bank line of credit.

Therefore, the management of the Company believes that the Group has adequate working capital to continue operation and fulfill the due financial responsibility. The management of the Company therefore is of the opinion that it is appropriate to adopt the going concern basis in preparing the consolidated financial statements.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

The Group has made accounting policies and accounting estimates according to its own operation and production characteristics, which are mainly reflected in provisions for expected credit losses for financial assets, inventory costing methods, depreciation methods for fixed assets, amortisation methods for intangible assets, recognition and measurement of income and so on.

1. Statement of compliance with CAS

The financial statements have been prepared in accordance with CAS, and presented truthfully and completely the Company's and the Group's financial position as at 30 June 2021, and the Company's and the Group's financial performance and cash flows for the six months ended 30 June 2021.

2. Accounting period

The Group has adopted the calendar year as its accounting year, i.e., from 1 January to 31 December.

3. Functional currency

The Company adopts Renminbi ("RMB") as its functional currency and to prepare its financial statements. Except for specially noted instructions, the financial statements are denominated in RMB.

The subsidiaries, joint arrangements and associates of the Group determine their own functional currencies according to the primary economic environments in which they operate. The Group adopts RMB to prepare its financial statements.

4. Business combinations

Business combinations are classified into business combinations involving enterprises under common control and business combinations not involving enterprises under common control.

Business combinations involving enterprises under common control

A business combination involving enterprises under common control is a business combination in which all of the combining enterprises are ultimately controlled by the same party or parties both before and after the combination, and that control is not transitory. In a business combination involving enterprises under common control, the party which obtains control of other combining enterprise(s) on the combination date is the merging party, and the other combining enterprise(s) is (are) the merged party (parties). The combination date is the date on which the merging party actually obtains control of the merged party (parties).

Assets and liabilities (including goodwill arising from the acquisition of the merged party (parties) by the ultimate controlling party) obtained by the merging party shall be measured at their respective carrying amounts as recorded by the ultimate controlling party at the date of the combination. The difference between the carrying amount of the net assets obtained and the carrying amount of the consideration paid for the combination (or the aggregate face value of shares issued) is adjusted as share premium in capital reserve. If the share premium is not sufficient to absorb the difference, any excess shall be adjusted against retained earnings.

Business combinations not involving enterprises under common control

A business combination not involving enterprises under common control is a business combination in which all of the combining enterprises are not ultimately controlled by the same party or parties before and after the combination. In a business combination not involving enterprises under common control, the party which obtains control of other combining enterprise(s) on the combination date is the acquirer, and the other combining enterprise(s) is (are) the acquiree(s). The combination date is the date on which the acquirer actually obtains control of the acquiree(s).

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

4. Business combinations *(continued)*

Business combinations not involving enterprises under common control *(continued)*

The acquiree's identifiable assets, liabilities and contingent liabilities acquired by the acquirer in a business combination not involving enterprises under common control shall be measured at fair value at the acquisition date.

Where the fair value of combination consideration (or the fair value of issued equity securities) and the fair value of the equity interest held in the acquiree prior to the acquisition date exceed the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is recognised as goodwill, which is subsequently measured at cost less accumulated impairment losses. Where the fair value of combination consideration (or the fair value of issued equity securities) and the fair value of the equity interest held in the acquiree prior to the acquisition date are less than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the acquirer firstly reassesses the measurement of the fair values of the acquiree's identifiable assets, liabilities and contingent liabilities and measurement of the fair value of combination consideration (or the fair value of issued equity securities) and the fair value of the equity interest held in the acquiree prior to the acquisition date. If after that reassessment, the fair value of combination consideration (or the fair value of issued equity securities) and the fair value of the equity interest held in the acquiree prior to the acquisition date are still less than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the acquirer recognises the remaining difference immediately in profit or loss for the current period.

If the business combination not involving enterprises under common control is achieved in stages, the long-term equity investment of the acquiree held prior to the acquisition date is remeasured at the fair value on the acquisition date and any difference between fair value and book value is recognised in profit or loss for the current period. For the other comprehensive income generated under the equity method from the long-term equity investment of the acquiree held prior to the acquisition date, the same accounting treatment of which the investee directly disposes of the related assets and liabilities should be used, and changes in owners' equity other than net profit or loss, other comprehensive income and profits distribution are recognised in profit or loss when the investments are disposed of. For other equity instrument investments of the acquiree held prior to the acquisition date, their accumulated changes in fair value in other comprehensive income before the acquisition date are transferred to retained earnings.

5. Consolidation of financial statements

The scope of consolidation in the consolidated financial statements is determined on the basis of control. The consolidated financial statements include the financial statements of the Company and its subsidiaries. A subsidiary is an entity (including an entity, a separable part of an investee, and the structured entities controlled by the Company) which is under the control of the Company.

The accounting policies and accounting periods of the Company and its subsidiaries should be consistent in the preparation of the consolidated financial statements. Where the accounting policies adopted by subsidiaries are probably inconsistent with those of the Company, appropriate adjustments are made to the subsidiaries' financial statements in accordance with the accounting policies of the Company. All assets, liabilities, equity, income, expenses and cash flows arising from intra-group transactions are eliminated on consolidation.

When the amount of loss for the period attributable to the non-controlling shareholders of a subsidiary exceeds the non-controlling shareholders' portion of the opening balance of owners' equity of the subsidiary, the excess amount is still allocated against non-controlling interests.

Where a subsidiary is acquired through a business combination not involving enterprises under common control, the operating results and cash flows of the acquiree shall be included in the consolidated financial statements of the Group from the acquisition date till the date that such control ceases. In the preparation of the consolidated financial statements, the financial statements of an acquired subsidiary shall be adjusted based on the fair value of the subsidiary's identifiable assets, liabilities or contingent liabilities determined at the acquisition date.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

5. Consolidation of financial statements *(continued)*

Where a subsidiary is acquired through a business combination involving enterprises under common control, the acquiree's operating results and cash flows shall be included in the consolidated financial statements as if the acquiree was under the control of the Group at the very beginning and the comparative amounts of the consolidated financial statements of the Group shall be restated accordingly.

If a change in any facts and circumstances gives rise to one or more changes in controlling factors, the Group will reassess whether it controls the investee or not.

Change in non-controlling interests that does not result in the loss of control over the subsidiary is accounted for as an equity transaction.

6. Classification of joint arrangement and joint operation

Joint arrangement comprises two types: joint operation and joint venture. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture.

The Group recognises in relation to its interest in a joint operation: its assets, including its share of any assets held jointly; its liabilities, including its share of any liabilities incurred jointly; its revenue from the sale of its share of the output arising from the joint operation; its share of the revenue from the sale of the output by the joint operation; and its expenses, including its share of any expenses incurred jointly.

7. Cash and cash equivalents

Cash comprises the Group's cash on hand and deposits that can be readily withdrawn on demand. Cash equivalents are the Group's short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

8. Foreign currency transactions and translation of financial statements denominated in foreign currencies

The Group's foreign currency transactions are recorded in the respective functional currencies on initial recognition.

A foreign currency transaction is recorded in the functional currency on initial recognition, by applying the prevailing exchange rate on the date of transaction or the average exchange rate through the transaction period. At the end of the reporting period, foreign currency monetary items are translated into the functional currency using the spot exchange rates at the end of the reporting period. Exchange differences arising from the differences between the spot exchange rates prevailing at the end of the reporting period and those on initial recognition or at the end of the previous reporting period, except that exchange differences related to a specific-purpose borrowing denominated in foreign currency that qualify for capitalisation are capitalised as part of the cost of the qualifying asset during the capitalisation period, are recognised in profit or loss for the period. Foreign currency non-monetary items measured at historical cost are re-translated at the spot exchange rate on the date of transaction but the functional currency is not changed. Foreign currency non-monetary items measured at fair value are re-translated at the spot exchange rate on the date the fair value is determined. Differences between the re-translated functional currency amount and the original functional currency amount are recognised in profit or loss or as other comprehensive income depending on the nature of the non-monetary items.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

8. Foreign currency transactions and translation of financial statements denominated in foreign currencies *(continued)*

For the purpose of preparing the consolidated financial statements, financial statements of a foreign operation are translated from the foreign currency into RMB using the following method: assets and liabilities on the statement of financial position are translated at the spot exchange rate prevailing at the end of the reporting period; owners' equity items except for retained earnings are translated at the spot exchange rates at the dates on which such items arose; income and expenses in the statement of profit or loss are translated at the average exchange rates during the transaction period. The exchange differences arising from translation of financial statements denominated in foreign currencies are recognised as other comprehensive income. For disposals of equity interests in foreign operations, the proportionate share of the accumulated exchange differences arising from translation of financial statements in other comprehensive income of foreign operations is reclassified to profit or loss for the current period. For partial disposals, the reclassification is determined on the proportion of disposal.

Cash flows arising from a transaction in foreign currency and the cash flows of a foreign subsidiary are translated at the average exchange rate of the transaction period of cash flows. The effect of exchange rate changes on cash and cash equivalents is regarded as a reconciling item and presented separately in the statement of cash flows.

9. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity, and a financial liability or equity instrument of another entity.

Recognition and derecognition of financial instruments

The Group recognises a financial asset or a financial liability when it becomes a party to the contractual provisions of the instrument.

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's account and consolidated statement of financial position) when:

- (1) the rights to receive cash flows from the financial asset have expired; or
- (2) the Group has transferred its rights to receive cash flows from the financial asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) has transferred substantially all the risks and rewards of the financial asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the financial asset.

The Group derecognises a financial liability only when the underlying obligation is settled, discharged or expires. An agreement to replace the original financial liability with a new financial liability with substantially different terms with the same creditor, or to modify the original financial liability's terms substantially, is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the new financial liability should be recognised in profit or loss for the current period.

All regular means of purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular means of purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace pursuant to the provisions of the terms of an agreement. Trade date is the date that the Group commits to purchase or sell the financial asset.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

9. Financial instruments *(continued)*

Classification and measurement of financial assets

At initial recognition, the classification of financial assets depends on the financial assets' contractual cash flow characteristics and the Group's business model for managing them: financial assets at fair value through profit or loss, financial assets at amortised cost and financial assets at fair value through other comprehensive income. All affected related financial assets will be reclassified only if the Group changes its business model for managing financial assets.

Financial assets are measured at fair value on initial recognition, but trade receivables or bills receivable arising from the sale of goods or rendering of services that do not contain significant financing components or for which the Group does not consider the effect of a significant financing component due within one year, are initially measured at the transaction price.

For financial assets at fair value through profit or loss, transaction costs are immediately recognised in profit or loss for the current period. For other financial assets, transaction costs are included in their initial recognised amounts.

Subsequent measurement of financial assets is determined by its classification:

Financial assets at amortised cost (debt instrument investments)

The Group measures financial assets at amortised cost if both of the following conditions are met: the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income of this kind of financial assets is recognised using the effective interest method. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through other comprehensive income (debt instrument investments)

The Group measures financial assets at fair value through other comprehensive income if both of the following conditions are met: the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income of such financial assets is recognised based on the effective interest method. Changes in fair values are recognised in other comprehensive income except that interest income, impairment losses and exchange differences are recognised in current profit or loss. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is transferred to the profit or loss.

Financial assets at fair value through other comprehensive income (equity instrument investments)

The Group irrevocably chooses to designate some instrument investments of non-trading nature as financial assets at fair value through other comprehensive income. Only relevant dividend income (excluding dividend income explicitly recovered as part of investment cost) is recognised in profit or loss, and subsequent changes in fair value are included in other comprehensive income without provision for impairment. When financial assets are derecognised, the accumulated gains or losses previously recognised in other comprehensive income are transferred from other comprehensive income and recognised in retained earnings.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

9. Financial instruments *(continued)*

Classification and measurement of financial assets *(continued)*

Financial assets at fair value through profit or loss

The financial assets other than the above financial assets measured at amortised cost and financial assets at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Such financial assets are subsequently measured at fair value with changes in fair value recognised in profit or loss, except for the financial assets accounted for under hedge accounting.

Only if it can eliminate or significantly reduce accounting mismatch can financial assets be designated as financial assets at fair value through profit or loss on initial recognition.

When an enterprise initially designates a financial asset as a financial asset at fair value through profit or loss, it cannot be reclassified to other financial assets; and other financial assets cannot be re-designated after initial recognition as financial assets at fair value through profit or loss.

In accordance with the above conditions, the Group's designated financial assets mainly consist of spot deferred settlement contracts in open positions at the Shanghai Gold Exchange that are held for purchasing or selling gold based on a predetermined schedule.

Classification and measurement of financial liabilities

On initial recognition, financial liabilities of the Group are classified as financial liabilities at fair value through profit or loss and other financial liabilities. For financial liabilities at fair value through profit or loss, the relevant transaction costs are directly recognised in profit or loss for the current period, and the related transaction costs of other financial liabilities are recognised in their initial amount.

Subsequent measurement of financial liabilities is determined by its classification:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include held for trading financial liabilities (including derivative instruments attributable to financial liabilities) and financial liabilities designated upon initial recognition as at fair value through profit or loss. Held for trading financial liabilities (including derivative instruments attributable to financial liabilities) are subsequently measured at fair value. All changes in fair value of such financial liabilities are recognised in profit or loss, except for the derivatives designated as hedging instruments. Financial liabilities designated at fair value through profit or loss are subsequently measured at fair value and gains or losses are recognised in profit or loss, except for the gains or losses arising from the Group's own credit risk which are presented in other comprehensive income. If gains or losses arising from the Group's own credit risk which are presented in other comprehensive income will lead to or expand the accounting mismatch in profit or loss, the Group will include all the changes in fair value (including the amount affected by changes in the Group's own credit risk) of such financial liabilities in profit or loss.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

9. Financial instruments *(continued)*

Classification and measurement of financial liabilities *(continued)*

*Financial liabilities at fair value through profit or loss *(continued)**

Only if one of the following conditions is met, financial liabilities can be designated as financial liabilities at fair value through profit or loss on initial recognition:

- (1) It can eliminate or significantly reduce the accounting mismatch.
- (2) The formal written document of risk management or investment strategy has stated that the portfolio of financial instruments is managed, evaluated and reported to key managers on the basis of fair value.
- (3) A hybrid instrument that contains one or more embedded derivatives, unless the embedded derivatives have no significant change in the cash flow of the hybrid instrument, or the embedded derivatives should obviously not be separated from the related hybrid instruments.
- (4) Hybrid instruments containing embedded derivatives that need to be split but cannot be measured separately at the time of acquisition or at subsequent ends of reporting periods.

When an enterprise designates a financial liability as a financial liability at fair value through profit or loss on initial recognition, it cannot be reclassified as other financial liabilities; nor can other financial liabilities be re-designated as financial liabilities at fair value through profit or loss after initial recognition.

In accordance with the above conditions, the Group's designated financial liabilities mainly consist of spot deferred settlement contracts in open positions at the Shanghai Gold Exchange that are held for purchasing or selling gold based on a predetermined schedule.

Other financial liabilities

For such financial liabilities, subsequent measurement is made at amortised cost using the effective interest method.

Impairment of financial instruments

Based on expected credit losses, the Group undertakes impairment treatment and confirms loss provisions for financial assets at amortised cost, debt instrument investments at fair value through other comprehensive income and financial guarantee contracts.

For receivables that do not contain significant financing components, the Group uses the simplified approach to measure loss provisions in accordance with the amount of expected credit losses equivalent to the entire lifetime expected credit losses.

For receivables that contain significant financing components, the Group elects to use the simplified approach to measure loss provisions in accordance with the amount of expected credit losses equivalent to the entire lifetime expected credit losses.

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

9. Financial instruments *(continued)*

Impairment of financial instruments *(continued)*

For financial assets and financial guarantee contracts other than those measured with the simplified approach, the Group evaluates at each end of the reporting period whether its credit risk has significantly increased since initial recognition. The financial assets for which credit risk has not significantly increased since initial recognition are considered to be in stage one, for which the Group shall measure loss provisions based on the amount of expected credit losses for the next 12 months and shall compute interest income according to the book value and effective interest rate; the financial assets for which credit risk has significantly increased since initial recognition although no credit impairment has occurred are considered to be in stage two, for which the Group shall measure loss provisions based on the amount of expected credit losses for the entire lifetime and shall compute interest income according to the book value and effective interest rate; the financial assets for which credit impairment has occurred after initial recognition are considered to be in stage three, for which the Group shall measure loss provisions based on the amount of expected credit losses for the entire lifetime and shall compute interest income according to the amortised cost and effective interest rate. For financial instruments with relatively low credit risk at the end of the reporting period, the Group assumes its credit risk has not significantly increased since initial recognition.

The Group evaluates the expected credit losses for financial instruments on a single and combined basis. Taking into account the credit risk characteristics of different customers, the Group evaluates the expected credit losses for trade receivables based on the ageing portfolio.

Please refer to Note VIII.3 for the disclosure of the Group's criteria for judging the significant increase in credit risk, the definition of credit-impaired financial assets, and the assumptions of measuring expected credit losses, etc.

When the Group no longer reasonably expects to be able to recover all or part of the contractual cash flows of the financial assets, the Group will write off the book value of the financial assets directly.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is recognised in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Financial guarantee contracts

A financial guarantee contract is a contract by which the guarantor and the lender agree that the guarantor would settle the debts or bear obligations in accordance with terms of the contract in case the borrower fails to settle the debts. Financial guarantee contracts are measured at fair value on initial recognition. Subsequent to initial recognition, financial guarantee contracts that are not designated as financial liabilities at fair value through profit or loss are measured at the higher of the expected credit loss amount recognised at the end of the reporting period and the balance of the initial recognition amount after deducting the accumulated amortisation amount recognised according to the revenue recognition principle.

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

9. Financial instruments *(continued)*

Derivative financial instruments

The Group uses derivative financial instruments, such as forward exchange contracts for mitigating foreign exchange rate fluctuation risk, and forward commodity contracts for hedging price fluctuation risk. Derivatives are initially measured at fair value at the date when the derivative contracts are entered into and are subsequently measured at fair value. Derivatives are recognised as assets when the fair value is positive and as liabilities when the fair value is negative.

Except for those subject to hedge accounting, gains or losses arising from changes in the fair value of derivatives are directly recognised in profit or loss for the current period.

Convertible bonds

The Group determines whether the convertible bonds include both liability and equity components according to terms upon issuance. If the issued convertible bonds include both liability and equity components, the components should be split at initial recognition and accounted for separately. While splitting, the fair value of the liability component is determined first and recognised as the initial amount; then the initial amount of the equity component is determined at the amount of the total issue price of the convertible bond net of the initial amount of the liability component. Transaction cost is allocated between the liability component and the equity component based on the relative fair value respectively. The liability component is presented as a liability, and subsequently measured at amortised cost, until cancelled, converted or redeemed. The equity component is presented as equity without subsequent measurement. If the issued convertible bonds only include the liability component and embedded derivatives (i.e. the conversion option of the share is featured with the embedded derivative), it should be split from the convertible bond and individually accounted for as a derivative financial instrument, and initially recognised based on its fair value. The proportion that the issue price exceeding the one initially recognised as a derivative financial instrument is recognised as a debt instrument. Transaction cost is allocated according to the issue prices allocated to the debt instrument and the derivative financial instrument at initial recognition on a pro rata basis. Transaction cost related to the debt instrument is recognised as a liability and transaction cost related to derivative financial instrument is recognised in profit or loss.

Transfers of financial assets

The Group derecognises a financial asset when it has transferred substantially all the risks and rewards of ownership of the financial asset to the transferee; the Group does not derecognise those financial assets when it retains substantially all the risks and rewards of the ownership.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership of financial assets, the related accounting treatments of such financial assets are as follows: the Group derecognises financial assets when it retains no control on them, and the associated assets and liabilities are recognised at the same time. If the Group retains control of the financial asset, it recognises the financial asset to the extent of its continuing involvement in the transferred financial asset and recognises an associated liability.

Continuing involvement that takes the form of a financial guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the financial guarantee. The amount of the financial guarantee is the maximum amount of consideration that the Group could be required to repay.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

10. Inventories

The Group's inventories include raw materials, work in progress, finished goods and consumable materials.

Inventories are initially measured at cost. Cost of inventories comprises all costs of purchase, costs of processing and other expenditures. The actual cost of inventories upon delivery is calculated using the weighted average method. Consumable materials included low value consumption and packing materials, etc., which are recorded at cost in full upon delivery. Some spare parts and materials directly related to production are amortised periodically (for example, steel balls are amortised using the units-of-production method, and for some spare parts with a great value such as anode plates and lining boards, they are amortised over their actual useful lives).

The perpetual inventory system is maintained for the stock system.

At the end of the reporting period, inventories are measured at the lower of cost and net realisable value. If the net realisable value is below the cost of inventories, a provision for decline in value of inventories is made and recorded in profit or loss for the current period. After the provision for decline in value of inventories is made, if the circumstances that previously caused inventories to be written down below cost no longer exist so that the net realisable value of inventories is higher than their cost, the original provision for decline in value is reversed and the reversal is included in profit or loss for the current period.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion, the estimated costs necessary to make the sale and relevant taxes. For raw materials, provision for decline in value is made based on the categories of inventories. For finished goods, provision for decline in value is made on an item-by-item basis.

11. Held for sale non-current assets or disposal groups

A non-current asset or disposal group is classified as held for sale when its carrying amount will be recovered principally through a sale transaction rather than through continuous use. The following conditions need to be simultaneously met to be classified as held for sale: according to the practice of selling such assets or disposal groups in similar transactions, they can be sold immediately under current conditions; the sale is highly likely, that is, the Company has already made a sale plan, a resolution is made and a certain purchase commitment is obtained, expecting to complete the sale within one year (in cases that approval from authorities or regulators is required before the sale, the approval is granted). If the control of the subsidiary is lost due to the sale of the subsidiary, etc., whether part of the equity investment is retained after the sale or not, and the conditions for holding for sale are satisfied, the investment in the subsidiary will be presented as held for sale in the individual financial statements and all assets and liabilities of the subsidiary are to be classified into held for sale in the consolidated financial statements.

For non-current assets or disposal groups held for sale (other than financial assets and deferred tax assets), if the book value is higher than the fair value less costs to sell, the book value is reduced to the fair value less costs to sell. The amount of the write-down is recognised as a loss, which is recognised in profit or loss for the current period, and the provision for impairment of held for sale assets is made. Held for sale non-current assets or non-current assets in disposal groups are not depreciated or amortised.

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

12. Long-term equity investments

Long-term equity investments include equity investments in subsidiaries, joint arrangements and associates.

A long-term equity investment is initially measured at its cost at acquisition. For a long-term equity investment acquired through business combination involving enterprise under common control, the initial investment cost is the attributable share of the carrying amount of the owners' equity of the acquiree in the ultimate controlling party's consolidated financial statements at the date of combination. The difference between initial investment cost and the carrying amount of the consideration is adjusted against capital reserve. If the capital reserve is not sufficient to absorb the difference, any excess shall be adjusted against retained earnings. For other comprehensive income which is already held before the acquisition date, on the disposal of the investment, the same accounting treatment for which the investee directly disposes of the related assets and liabilities should be used, and changes in owners' equity of the investee other than net profit or loss, other comprehensive income and profits distribution are recognised in profit or loss for the current period when the investments are disposed of. Among which, those remain as long-term equity investments will be charged to the statement of profit or loss proportionately, those transferred as financial instruments will be fully charged to the statement of profit or loss. For a long-term equity investment acquired through business combinations not involving enterprises under common control, the initial investment cost of a long-term equity investment is the cost of acquisition. For a long-term equity investment acquired through business combinations not involving enterprises under common control and achieved in stages, the initial investment cost of the long-term equity investment is the aggregate of the carrying amount of the equity interest held in the acquiree prior to the acquisition date and the cost of the additional investment at the acquisition date. The investment cost is the aggregate of the fair values of the assets given, liabilities incurred or assumed, and equity securities issued by the acquirer. For other comprehensive income under the equity method which is already held before the acquisition date, on the disposal of the investment, the same accounting treatment for which the investee directly disposes of the related assets and liabilities should be used, and changes in owners' equity of the investee other than net profit or loss, other comprehensive income and profits distribution are recognised in profit or loss when the investments are disposed of. Among which, those remain as long-term equity investments will be charged to the statement of profit or loss proportionately, those transferred as financial instruments will be fully charged to the statement of profit or loss. All accumulated fair value changes charged to other comprehensive income of equity investments held before the acquisition date classified as financial instruments are transferred to retained earnings when the cost method is adopted. The initial costs of the investments acquired other than long-term equity investments acquired through business combinations are recognised as follows: if acquired by cash, the investment is initially recognised at the actual consideration paid plus the expenses, taxes and other required expenditures directly attributable to the acquisition; if acquired through issuing equity securities, the investment is initially recognised at the fair value of the equity instruments issued.

The long-term equity investments over which the Company has control are accounted for using the cost method in the Company's separate financial statements. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Under the cost method, a long-term equity investment is measured at initial investment cost. If there are additional investments or disinvestments, the cost of the long-term equity investment shall be adjusted. Investment income is recognised in the period in accordance with the attributable share of cash dividends or profits distribution declared by the investee.

For long-term equity investments over which the Group has joint control or significant influence, the Group accounts for such long-term equity investments using the equity method. Joint control is the contractually agreed sharing of control over an arrangement, which exists only when the decision making about the relevant activities requires the unanimous consent of the parties sharing control. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

12. Long-term equity investments *(continued)*

Under the equity method, where the initial investment cost of a long-term equity investment exceeds the Group's share of the fair value of the investee's identifiable net assets at the time of acquisition, no adjustment is made to the initial investment cost. Where the initial investment cost is less than the Group's interest in the fair values of the investee's identifiable net assets at the acquisition date, the difference is charged to profit or loss, and the cost of the long-term equity investment is adjusted accordingly.

Under the equity method, after a long-term equity investment is acquired, the Group recognises its share of the net profit or loss and other comprehensive income of the investee for the period as investment income or loss and other comprehensive income for the period, respectively, and adjusts the carrying amount of the long-term equity investment. The Group recognises its share of the investee's net profit or loss based on the fair value of the investee's identifiable assets and others at the acquisition date after making appropriate adjustments to conform with the Group's accounting policies and accounting period. Unrealised profit or loss resulting from the Group's transactions with its associates and joint ventures are recognised as investment income or loss to the extent that those attributable to the Group's equity interest are eliminated (except for those transactions relating to impairment loss of assets which shall be recognised fully). However, unrealised losses resulting from the Group's transactions with its associates and joint ventures which represent impairment losses on the transferred assets are not eliminated. The Group shall reduce the carrying amount of the long-term equity investments for shares of profits or cash dividends declared of the investee. However, the share of net loss is only recognised to the extent that the carrying value of the investment is reduced to zero, except to the extent that the Group has incurred obligations to assume additional losses. Changes in the owners' equity of the investee other than net profit or loss, other comprehensive income and profits distribution are correspondingly adjusted to the carrying amount of the long-term equity investments, and recognised in the owners' equity.

On disposal of a long-term equity investment, the difference between the proceeds actually received and the carrying amount is recognised in profit or loss for the current period. For other comprehensive income generated from a long-term equity investment under the equity method, if the equity method is not applied any more, the same accounting treatment for which the investee directly disposes of the related assets and liabilities should be used, and changes in the owners' equity of the investee other than net profit or loss, other comprehensive income and profits distribution are recognised in profit or loss for the current period. If the equity method is still applied, the same accounting treatment for which the investee directly disposes of the related assets and liabilities should be used and recognised in profit or loss for the period in proportion, and changes in the owners' equity of the investee other than net profit or loss, other comprehensive income and profits distribution are recognised in profit or loss for the current period in proportion.

13. Investment properties

An investment property is a property held to earn rentals or for capital appreciation or both. It includes a land use right that is leased out, a land use right held for transfer upon capital appreciation or a leased-out building.

An investment property is initially measured at cost. Subsequent expenditures incurred for such investment properties are included in the cost of the investment properties when it is probable that economic benefits associated with such investment property will flow to the Group and the subsequent expenditures can be measured reliably. Other subsequent expenditures are recognised in profit or loss in the period in which they are incurred.

The Group uses the cost model for the subsequent measurement of its investment properties, and adopts a depreciation policy for the investment properties which is consistent with that for buildings in fixed assets.

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

14. Fixed assets

A fixed asset is recognised only when the economic benefits associated with the asset will probably flow into the Group and the cost of the asset can be measured reliably. Subsequent expenditures incurred for a fixed asset that meets the recognition criteria shall be included in the cost of the fixed asset, and the carrying amount of the component of the fixed asset that is replaced shall be derecognised. Other subsequent expenditures are recognised in profit or loss in the period in which they are incurred.

Fixed assets are initially measured at cost and the effect of any expected costs of abandoning the asset at the end of its use is considered. The cost of a fixed asset is the aggregate cost of purchase price, related taxes and any directly attributable expenditure for bringing the asset to its working condition for its intended use.

Other than the fixed asset formed by the work safety fund that is depreciated one time, other fixed assets are depreciated over their useful lives using the units-of-production method or the straight-line method. The useful lives, estimated net residual value rate and annual depreciation rate of each category of the fixed assets which depreciation is calculated using the straight-line method are as follows:

	Useful life	Estimated net residual value rate	Annual depreciation rate
Buildings	8-60 years	0%-5%	1.58%-12.50%
Mining assets	5-40 years	0%-5%	2.38%-20.00%
Power generation and transmission equipment	8-30 years	0%-5%	3.17%-12.50%
Plant, machinery and equipment	5-15 years	0%-5%	6.33%-20.00%
Motor vehicles	4-10 years	0%-5%	9.50%-25.00%
Furniture and fixtures and others	3-10 years	0%-5%	9.50%-33.33%
Land	Permanent	N/A	N/A

The Group reviews the useful life, estimated net residual value of a fixed asset and the depreciation method applied at least once at each financial year-end, and adjusts for any change when necessary.

15. Construction in progress

Construction in progress is measured at its actual cost. The actual cost includes various necessary construction expenditures during the construction period, borrowing costs capitalised before it is ready for intended use and other relevant costs.

Construction in progress is transferred to fixed asset when it is ready for its intended use.

16. Borrowing costs

Borrowing costs refer to interest and other related costs incurred by the Group in connection with the borrowing of funds, including interest, amortisation of discounts or premiums, ancillary expenses and exchange differences arising from foreign currency borrowings, etc.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised when expenditures for such assets fulfill the conditions of capitalisation, whereas other borrowing costs are recorded in profit or loss for the current period. Qualifying assets are assets (fixed assets, investment properties, inventories, etc.) that necessarily take a substantial period of time of acquisition, construction or production to get ready for their intended use or sale.

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

16. Borrowing costs *(continued)*

The capitalisation of borrowing costs can commence only when all of the following conditions are satisfied:

- (1) Expenditures for the asset have been incurred;
- (2) Borrowing costs have been incurred; and
- (3) Activities relating to the acquisition, construction or production of the asset that are necessary to bring the asset for its intended use or sale have commenced.

Capitalisation of borrowing costs ceases when the qualifying asset being acquired, constructed or produced becomes ready for its intended use or sale. The actual amounts of any borrowing costs subsequently incurred shall be recognised in profit or loss in the period in which they are incurred.

During the capitalisation period, the amount of interest to be capitalised for each accounting period shall be determined as follows:

- (1) Where funds are borrowed for a specific purpose, the amount of interest to be capitalised is the actual interest expense incurred on that borrowing for the period less any bank interest earned from depositing the borrowed funds before being used on the asset or any investment income on the temporary investment of those funds.
- (2) Where funds are borrowed under general-purpose borrowings, the Group shall determine the amount of interest to be capitalised on such borrowings by applying a capitalisation rate to the weighted average of the excess amounts of cumulative expenditures on the asset over and above the amounts of specific-purpose borrowings.

Capitalisation of borrowing costs shall be suspended during periods in which the acquisition, construction or production of qualifying assets is interrupted abnormally for a continuous period of more than three months except when the assets have become ready for their intended use or sale. The borrowing costs incurred during these periods shall be recognised in profit or loss for the current period until the acquisition, construction or production resumes.

17. Right-of-use assets

Right-of-use assets of the Group mainly consist of buildings, power generation and transmission equipment, plant, machinery and equipment, motor vehicles, furniture and fixtures and others.

At the commencement date of the lease, the Group recognises the right to use the leased assets during the lease term as a right-of-use asset, including: the initial measurement amount of the lease liability; the amount of lease payment paid on or before the beginning of the lease term, the amount of lease incentive already enjoyed shall be deducted if there is a lease incentive; initial direct expenses incurred by the lessee; the costs that the lessee is expected to incur in order to dismantle and remove the leased asset, restore the leased asset to the site or restore the leased asset to the state agreed upon in the lease terms. The right-of-use assets are depreciated on a straight-line basis subsequently by the Group. If the Group is reasonably certain that the ownership of the underlying asset will be transferred to the Group at the end of the lease term, the Group depreciates the asset from the commencement date to the end of the useful life of the asset. Otherwise, the Group depreciates the assets from the commencement date to the earlier of the end of the useful life of the asset or the end of the lease term.

The Group remeasures the lease liability at the present value of the revised lease payments and adjusts the carrying amount of the right-of-use assets accordingly. When the carrying amount of the right-of-use assets is reduced to zero, and there is a further reduction in the measurement of the lease liability, the Group recognises the remaining amount of the remeasurement in profit or loss for the current period.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

18. Intangible assets

Intangible assets are recognised and measured on initial recognition at cost only if the related economic benefits will probably flow into the Group and their costs can be measured reliably. However, the intangible assets acquired through business combination not involving enterprises under common control should be measured at fair value separately as intangible assets when their fair values can be reliably measured.

The useful life of the intangible assets shall be assessed according to the estimated beneficial period expected to generate economic benefits for the Group. An intangible asset shall be regarded as having an indefinite useful life when there is no foreseeable limit to the period over which the asset is expected to generate economic benefits for the Group.

A mining right (included in Note V.18 Intangible assets) is amortised using the units-of-production method. An exploration right will not be amortised until it is transferred to mining right which is amortised using the units-of-production method. Other intangible assets are amortised over their useful lives using the straight-line method. The estimated useful lives of each category of intangible assets are as follows:

	Useful life
Land use rights	30-50 years
Membership of Shanghai Gold Exchange	10 years

Land use rights obtained by the Group are usually accounted for as intangible assets. As for the construction of plants, factories and other buildings of the Group, the related land use rights and other buildings were accounted for as intangible assets and fixed assets, respectively. Purchase costs of land use rights and buildings were allocated to intangible assets and fixed assets separately. Purchase costs were recognised as cost of fixed assets, only if the separation was impracticable.

Intangible assets with a finite useful life are amortised over their estimated useful lives using the straight-line method or other reasonable systematic methods. For an intangible asset with a finite useful life, the Group reviews the useful life and amortisation method at least once at each financial year-end, and makes adjustments when necessary.

Intangible assets with indefinite useful lives are tested for impairment annually, irrespective of whether there is any indication that the assets may be impaired. Intangible assets with indefinite useful lives may not be amortised. The Group reviews the service life of intangible assets with indefinite useful lives annually. Where there is evidence that the intangible assets have a finite useful life, the intangible assets are amortised according to the accounting standards for intangible assets with a finite useful life.

Exploration expenditure is recognised as other non-current assets – exploration and development costs at the net amount of cost less impairment. Exploration expenditure includes costs of geological prospecting for technical consultancy and costs of feasibility study for commercial development which incurred in the surroundings, outer ring and deep areas of the existing or externally acquired mineral properties, and costs of drilling, trench sampling and other associated activities. Such expenditures may be capitalised when the mineral properties are reasonably determined to be commercially available and recognised as intangible assets after obtaining mining rights or permits, which will be amortised under the units-of-production method. If any construction is abandoned in the development phase or belongs to the productive exploration, all costs shall be written off and recognised in profit or loss for the current period.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

19. Impairment of assets

Impairment of assets other than inventories, deferred tax assets and financial assets is recognised based on the following methods:

The Group assesses at each end of the reporting period whether there is any indication that the assets may be impaired. If there is any indication that such assets may be impaired, recoverable amounts are estimated for such assets and impairment tests are performed. Goodwill arising in a business combination and an intangible asset with an indefinite useful life shall be assessed for impairment at least at each period end, irrespective of whether there is any indication of impairment. Impairment tests of intangible assets should be performed annually, even if they are not ready for use.

The recoverable amount of an asset is the higher of fair value less costs to sell and the present value of the future cash flows expected to be derived from the asset. The recoverable amount is estimated on an individual basis. If it is not practical to estimate the recoverable amount of an individual asset, the recoverable amount of the asset group to which the asset belongs will be estimated. Identification of an asset group shall be based on whether there are major cash inflows which are independent from other assets or asset groups.

If the recoverable amount of an asset or asset group is less than its carrying amount, the carrying amount shall be reduced to its recoverable amount. The reduction is recognised as an impairment loss and charged to profit or loss for the current period. A provision for impairment loss of the asset is recognised accordingly.

For the purpose of impairment testing, the carrying amount of goodwill acquired in a business combination is, from the acquisition date, allocated on a reasonable basis to each of the Group's cash-generating units or to relevant groups of cash-generating units if it is difficult to do so. Each asset groups or set of asset groups to which the goodwill is so allocated represents those which are expected to benefit from the synergies of the combination and is not larger than a reported segment of the Group.

In testing an asset group or a set of asset groups to which goodwill has been allocated for impairment, if there is evidence of impairment in relation to goodwill, the Group shall first test the asset group or the set of asset groups excluding the amount of goodwill allocated for impairment. The Group shall determine and compare the recoverable amount with the related carrying amount and recognise any impairment loss. After that, the Group shall test the asset group or set of asset groups including the goodwill for impairment. The carrying amount is compared to its recoverable amount. If the recoverable amount of the asset group or set of asset groups is lower than its carrying amount, an impairment loss on goodwill shall be recognised. Firstly, the impairment loss shall be allocated to reduce the carrying amount of any goodwill allocated to the asset group or set of asset groups. Then, the impairment loss shall be allocated to the other assets of the asset group or set of asset groups (excluding goodwill) on the basis of the proportion of the carrying amount of each asset in the asset group or set of asset groups.

Once an impairment loss of the above-mentioned asset is recognised, it shall not be reversed in any subsequent period.

20. Long-term deferred assets

Long-term deferred assets represent expenses already incurred that should be amortised over a period longer than one year. Long-term deferred assets mainly include land compensation cost and others. Land compensation costs are amortised evenly over the estimated beneficial useful lives of 5 to 50 years, whereas other long-term deferred assets are amortised over their estimated useful lives.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

21. Employee benefits

Employee benefits are all types of benefits except the share-based payments given by the Group in exchange for the services rendered by employees and termination of employment. Employee benefits include short-term employee benefits, post-employment benefits, termination benefits and other long-term employee benefits that are provided to the employees, their spouses, children, dependents and the late employees' family members and other beneficiaries.

Short term employee benefits

During an accounting period when employees render services to the entity, the amount of short-term employee benefits actually incurred should be recognised as a liability and be recognised in profit or loss for the current period or in cost of related assets.

Post-employment benefits (defined contribution plan)

The employees in the Group participate in social insurance, unemployment insurance schemes administrated by the local governments and enterprise annuity. The related expenditures are recorded in cost of related assets or profit or loss in the period when they incurred.

Post-employment benefits (defined benefit plan)

The Group operates a defined benefit pension plan which requires contributions to be made to a separately administered fund. The benefit plan is not funded yet. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements arising from the defined benefit pension plan, comprising actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the statement of financial position with a corresponding debit or credit to equity through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss at the earlier of the date of the plan amendment and the date that the Group recognises restructuring-related costs or termination benefits.

The net interest is calculated by the discount rate of the net liabilities or net assets of the defined benefit plan. The Group recognises the following changes in the net defined benefit obligation under operating costs, and administrative expenses, in the statement of profit or loss: service costs comprising current service costs, past service costs, gains and losses on settlements; net interest comprising interest income on plan assets, interest costs on the defined benefit obligation and interest on the effect of the asset ceiling.

Termination benefits

The Group recognises a liability for termination benefits and charges to profit or loss for the current period at the earlier of the following dates: when the Group can no longer withdraw from the termination plan or the redundancy offer unilaterally; or when the Group recognises costs or expense for a restructuring plan which involves the payment of termination benefits.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

22. Lease liabilities

At the commencement date of the lease period, the Group recognises the present value of outstanding lease payments as a lease liability, excluding short-term leases and leases of low-value assets. The Group adopts the interest rate implicit in the lease as the discount rate to calculate the present value of the lease payments. Where the interest rate implicit in the lease cannot be determined, the incremental borrowing rate of the lessee shall be used as the discount rate. The Group calculates the interest expense of the lease liability during each period of the lease term in accordance with the constant periodic rate of interest and recognises it in profit or loss for the current period, except otherwise stipulated in the cost of related assets. The variable lease payment that is not included in the measurement of lease liabilities is recognised in profit or loss for the period when it actually occurs, except that it is otherwise stipulated to be included in the cost of relevant assets.

After a lease term commences, when there is a change in the amount of in-substance fixed lease payments, a change in the amounts expected to be payable under a residual value guarantee, a change in future lease payments resulting from a change in an index or a rate used to determine those payments, a change in assessment of an option to purchase the underlying asset, renew or terminate the lease, or change in the actual exercise of an option, the Group remeasures the carrying amount of the lease liability by discounting the revised lease payments.

23. Contingent liabilities

Except for contingent consideration and contingent liabilities arising from business combinations not involving enterprises under common control, contingent liabilities are recognised when the Group has an obligation related to a contingency, which meets all of the following conditions:

- (1) it is a present obligation of the Group;
- (2) it is probable that an outflow of economic benefits from the Group will be required to settle the obligation; and
- (3) the amount of the obligation can be measured reliably.

The amount initially recognised as a contingent liability is the best estimate of the consideration required to settle the present obligation, taking into account factors pertaining to a contingency such as the risks, uncertainties and time value of money. The carrying amount of a contingent liability is reviewed at the end of the reporting period. Where there is objective evidence that the carrying amount does not reflect the best estimate, the carrying amount would be adjusted according to the best estimated amount.

The contingent liabilities of the acquiree acquired in the business combination not involving enterprises under common control are measured at fair value at initial recognition. After initial recognition, the contingent liabilities are subsequently measured at the higher of the amount that would be recognised based on provisions and the balance of the amount initially recognised less the cumulative amortisation determined by the income recognition principle.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

24. Share-based payments

Share-based payments are classified into equity-settled share-based payments and cash-settled share-based payments. For equity-settled share-based payments, the Group receives services as consideration for shares or other equity instruments.

Equity-settled share-based payment in exchange for services rendered by employees is measured at the fair value of the equity instruments granted to the employees. For those that immediately become vested after the grant, the service received is recognised as the relevant costs or expenses and measured at the fair value on the grant date, and the capital reserve is increased accordingly. For those are not vested until service is completed or upon the achievement of a specific performance condition during the vesting period, at each end of the reporting period in the vesting period, the service received during the period is recognised as the relevant costs or expenses, while capital reserve is increased accordingly at the fair value on the grant date, which is based on the best available estimate of the number of equity instruments that are expected to be vested.

For the share-based payments that are not vested eventually because of failure to satisfy vesting conditions other than market conditions and/or service period conditions, no cost or expense is recognised. When market conditions or non-vesting conditions are included in a share-based payment agreement, whether the market conditions or non-vesting conditions are satisfied, the instruments are considered to have vested if all other performance conditions and/or service period conditions have been satisfied.

If the terms of the equity-settled share-based payments are modified, the Company recognises, as a minimum, the service received before the modification is made. In addition, an increase in the service received is recognised if there is any modification resulting in the increase in the fair value of the equity instruments to be granted or changes that are beneficial to the employees on the date of the modification.

If an equity-settled share-based payment is cancelled, the cancellation is accounted for as an acceleration of vesting, i.e., the unrecognised amount is recognised immediately. If an employee or other counterparty can choose whether to meet a non-vesting condition but the non-vesting condition is not satisfied within the vesting period, the equity-settled share-based payment is treated as cancelled. However, if new equity instruments are granted and, on the date when those new equity instruments are granted, the new equity instruments granted are identified as replacement equity instruments for the cancelled equity instruments, the Company accounts for the granting of replacement equity instruments in the same way as a modification of the terms and conditions of the original equity instruments.

25. Other equity instruments

The Group has the right to extend for an unlimited number of times the renewable corporate bonds issued by the Group after maturity, and the Group has the right to defer payment for the interest at the nominal interest of the renewable corporate bonds. The Group has no contractual obligation to pay cash or other financial assets. Hence the renewable corporate bonds are classified as equity instruments.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

26. Revenue from contracts with customers

The Group recognises revenue when it satisfies a performance obligation under the contract, i.e., when the customer obtains control of relevant goods or services. Obtaining control over the goods or services refers to the ability to dominate the use of the goods or the provision of services and to derive almost all the economic benefits therefrom.

Contracts for the sale of goods

The contracts for the sale of goods between the Group and its customers usually only contain the performance obligations for the transfer of goods. The Group generally recognises revenue at the point of transfer of the control of goods on the basis of a combination of the following factors: the current right to collect the goods, the transfer of major risks and benefits in the ownership of the goods, the transfer of the legal ownership of the goods, the transfer of physical assets of the goods and that the customers have accepted the goods.

Metals streaming business

The Group has a metals streaming business. There is a metals streaming business in Continental Gold Inc. (“Continental Gold”) acquired by the Group. Under the business arrangement, Continental Gold receives a payment in advance and the counterparty obtains a certain proportion of deliverable gold and silver within the entire life of the designated mine. The counterparty is also required to pay an additional payment based on a certain proportion of the market price when Continental Gold delivers the goods within an agreed period in the future. The payment Continental Gold receives in advance is considered to be part of the counterparty’s prepayment for the future goods with uncertain but predictable quantity, and is recognised as a contract liability upon receipt. Each unit of the delivered goods represents a separate performance obligation, and revenue is recognised at the point in time when control of the goods is transferred. Considering the timing of satisfaction of delivery obligations throughout the entire life of the mines, the contract liability above is considered to have significant financing components. In addition, because the quantity of all delivered goods available to the counterparty depends on the mining reserves of the metals throughout the entire life of the mines, the management estimates the changes of total metal reserves and planned mining reserves of the mines on a regular basis and adjusts the revenue and financing expenses recognised in historical periods based on the updated prices in the change periods.

Contracts for the rendering of services

A contract for the rendering of services between the Group and a customer usually includes performance obligations such as engineering construction management, engineering design consulting and so on. Because the customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs, and the Group has an enforceable right to payment for performance completed to date, the revenue is recognised over time only if the Group can reasonably measure its progress towards the complete satisfaction of the performance obligation. The Group uses the output method and determines the progress towards the complete satisfaction of the rendering of services on the basis of performance completed to date based on survey. If the progress towards the complete satisfaction of the performance obligation cannot be reasonably measured, but the Group expects to recover the costs incurred in satisfying the performance obligation, the revenue is recognised only to the extent of the costs incurred until such time that the Group can reasonably measure the progress towards the complete satisfaction of the performance obligation.

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

26. Revenue from contracts with customers *(continued)*

Significant financing components

When the contract contains a significant financing component, the Group determines the transaction price based on an amount that reflects the price that a customer would have paid for the goods or services in cash at the time of obtaining the control of the goods or services, and amortises the difference between the determined transaction price and the consideration promised in the contract under the effective interest method within the contract period using the discount rate that discounts the nominal amount of the contract consideration to the current selling price of the goods or services. The Group does not consider the effects of a significant financing component in the contract if it is expected that the period between when the customer obtains control of the goods or services and when the customer pays for such goods or services will be one year or less.

Variable consideration

In the Group's metals streaming business, because the quantity of all delivered goods available to the counterparty depends on the mining reserves of the mine throughout the entire life of the mine, the price allocated to each unit of the delivered goods is considered as variable consideration. When estimated total metal reserves and planned mining reserves of the mine are changed, the price of each unit of the delivered goods shall be recalculated and adjustments shall be made to the revenue and financing expenses recognised in historical periods based on the updated prices in the change periods. The Group determines the best estimate of the variable consideration based on the expected value. However, the transaction price including variable consideration is only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Principal/agent

When the Group obtains control of trade goods from a third party and then transfers them to the customer, the Group is entitled to determine the transaction price of the trade goods on its own. The Group controls the trade goods before they are transferred to the customer. Thus, the Group is a principal and recognises revenue in the gross amount of consideration received or receivable. Otherwise, the Group is an agent and recognises revenue in the amount of any fee or commission to which it expects to be entitled from the customer. The amount is the net amount of the gross consideration received or receivable after paying the other party the consideration received in exchange for the goods to be provided by that party or determined by the agreed-upon amount or proportion of commissions, etc.

27. Contract liabilities

The Group presents contract liabilities in the statement of financial position depending on the relationship between contractual performance obligations and customer payments.

Contract liabilities

The obligation to transfer products to customers in connection with customer consideration received or receivable is presented as contract liabilities, for example, amounts received prior to the transfer of the promised products.

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

28. Government grants

A government grant is recognised only when the Group can comply with the conditions attaching to the grant and the Group will receive the grant. If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable. If a government grant is in the form of a non-monetary asset, it is measured at fair value. If the fair value cannot be reliably determined, it is measured at a nominal amount.

Asset-related government grants are recognised when the government document designates that the government grants are used for acquiring, constructing or forming long-term assets. If the government document is inexplicit, the Company should make a judgement based on the basic conditions to obtain the government grants, and recognises them as asset-related government grants if the conditions are for acquiring, constructing or forming long-term assets. Otherwise, the government grants should be income-related.

The method applicable to the Group's government grants is the gross method.

Government grants related to income shall be accounted for accordingly as follows: those to be used as compensation for future expenses or losses shall be recognised as deferred income and recorded in profit or loss or offset against the related costs over the period when the related expenses or losses are recognised; those to be used as compensation for related expenses or losses already incurred shall be recognised directly in profit or loss or offset against the related costs.

Government grants related to assets shall be offset against the carrying value of the assets, or recognised as deferred income to be recognised in profit or loss on a reasonable and systematic basis over the useful lives of the assets (however, government grants measured at a nominal amount shall be recognised directly in profit or loss for the current period). If the assets are sold, transferred, scrapped or destroyed before the end of their useful lives, the balances of undistributed deferred income shall be reclassified to profit or loss over the period when the assets are disposed of.

29. Income tax

Income tax includes current income tax and deferred tax. Current and deferred tax expenses or income are recognised in profit or loss for the current period, except when they arise from transactions or events that are directly recognised in owners' equity, in which case they are recognised in owners' equity; and when they arise from business combinations, in which case they adjust the carrying amount of goodwill.

Current income tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid (or recovered) according to the requirements of tax laws.

At the end of the reporting period, for temporary differences between the carrying amounts of certain assets or liabilities and their tax base, or between the carrying amount of items that are not recognised as assets or liabilities and their tax base that can be determined according to tax laws, deferred tax assets and liabilities are recognised using the balance sheet liability method.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- (1) When the taxable temporary difference arises from: the initial recognition of goodwill or the initial recognition of an asset or liability in transactions that are not business combinations and affect neither the accounting profit, taxable profit or loss nor deductible losses at the time of the transaction.
- (2) In respect of taxable temporary differences associated with investments in subsidiaries, joint ventures and associates, the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not be reversed in the foreseeable future.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

29. Income tax *(continued)*

For deductible temporary differences, deductible losses and tax credits that can be carried forward, deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, deductible losses and tax credits can be utilised, except:

- (1) When the deductible temporary differences do not arise from business combinations and affect neither the accounting profit, taxable profit or loss nor deductible losses at the time of the transaction.
- (2) In respect of deductible temporary differences associated with investments in subsidiaries, joint ventures and associates, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

At the end of the reporting period, deferred tax assets and liabilities are measured at applicable tax rates according to the requirements of tax laws during the period that the assets are expected to be recovered or the liabilities are expected to be repaid. The recognition of deferred tax assets and liabilities also takes the recovery or the repayment terms at the end of the reporting period into account.

At the end of the reporting period, the carrying amount of deferred tax assets is reviewed and reduced if it is no longer probable that sufficient taxable profits will be available in the future to allow the benefit of deferred tax assets to be utilised. At the end of the reporting period, the carrying amount of deferred tax assets that are not recognised before, is reviewed and recognised to the extent that it is probable that available taxable profits in the future will allow entire or part of the benefit of deferred tax assets to be utilised.

Deferred tax assets and deferred tax liabilities are offset and the net amount is presented if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities, and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

30. Leases

Identification of leases

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset or group of identified assets for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Group assesses whether, throughout the period of use, 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.

Identification of separate lease components

For a contract that contains multiple separate lease components, the Group separates the components of the contract and accounts for each separate lease component. The right to use an underlying asset is a separate lease component if both of the following conditions are satisfied:

- (1) the lessee can benefit from use of the underlying asset either on its own or together with other resources that are readily available to the lessee; and
- (2) the underlying asset is neither highly dependent on, nor highly interrelated with, the other underlying assets in the contract.

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

30. Leases *(continued)*

Separating lease components and non-lease components

For a contract that contains lease components and non-lease components, the Group, as a lessor or a lessee, accounts for each lease component within the contract as a lease separately from non-lease components of the contract. The Group, as a lessee, does not separate the leased components and non-lease components and combined into leases for accounting. Except for the categories of leased assets described above, the Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract.

Assessment of the lease term

Lease term is the non-cancellable period of a lease for which the Group has the right to use an underlying asset. If the Group has an option to extend the lease, that is, the Group has the right to extend the lease, and is reasonably certain to exercise that option, the lease term also includes periods covered by an option to extend the lease. If the Group has an option to terminate the lease, that is, the Group has the right to terminate the lease, but is reasonably certain not to exercise that option, the lease term includes periods covered by an option to terminate the lease. The Group reassesses whether it is reasonably certain to exercise an extension option, purchase option, or not to exercise a termination option, upon the occurrence of either a significant event or a significant change in the circumstances that is within the control of the Group and affects whether the Group is reasonably certain to exercise an option.

As lessee

The general accounting treatment of the Group as a lessee is shown in Note III.17 and Note III.22.

Lease modifications

Lease modification is a change in the scope of a lease, or the consideration or term for a lease, that was not part of the original terms and conditions of the lease, for example, adding or terminating the right to use one or more underlying assets, or extending or shortening the contractual lease term.

The Group accounts for a lease modification as a separate lease if both of the following conditions are satisfied:

- (1) the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- (2) the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, at the effective date of the lease modification the Group redetermines the lease term and remeasures the lease liability by discounting the revised lease payments using a revised discount rate. The revised discount rate is determined as the interest rate implicit in the lease for the remainder of the lease term, or the lessee's incremental borrowing rate at the effective date of the modification, if the interest rate implicit in the lease cannot be readily determined.

For a lease modification that is not accounted for as a separate lease, the Group accounts for the remeasurement of the lease liability by:

- (1) decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease or shorten the lease term, and recognising the gain or loss relating to the partial or full termination of the lease in profit or loss for the current period; or
- (2) making a corresponding adjustment to the carrying amount of the right-of-use asset for all other lease modifications.

Notes to Financial Statements *(continued)*

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

30. Leases *(continued)*

As lessee *(continued)*

Short-term leases and leases of low-value assets

The Group considers a lease that, at the commencement date of the lease, has a lease term of 12 months or less, and does not contain any purchase option as a short-term lease; and a lease for which the value of the individual underlying asset is not more than RMB40,000 when it is new as a lease of low-value assets. If the Group subleases an asset, or expects to sublease an asset, the head lease does not qualify as a lease of a low-value asset. The Group does not recognise the right-of-use assets and lease liabilities for short-term leases and leases of low-value assets of buildings, power generation and transmission equipment, machinery and equipment, motor vehicles, furniture and fixtures and others. The Group recognises lease payments on short-term leases and leases of low-value assets in the costs of the related asset or profit or loss for the current period on a straight-line basis (or units-of-production basis) over the lease term.

COVID-19-related rent concessions

As to any rent concessions relating to the existing leases which include reduction or delay in rent payment, occurring as a direct consequence of the COVID-19 pandemic, the Group adopted a practical expedient to account for all leases only if all of the following conditions are met:

- (1) the revised consideration after the rent concession for the lease is substantially the same as, or less than the consideration for the lease immediately preceding the rent concession;
- (2) the rent concession only affects the amount of lease payable due on or before 30 June 2022; and
- (3) there is no substantive change to other terms and conditions of the lease by taking into account any qualitative and quantitative factors.

The Group does not assess whether there exist lease modifications, continues to calculate the interest expense of the lease liabilities based on the same discount rate as before the concessions and recognise it in profit or loss for the current period, and continues to provide depreciation of the right-of-use assets using the same way as before the concessions. For rent concessions, the Group regards the reduced rent as a variable lease payment. When a concession agreement is reached to release the original rent payment obligation, the undiscounted cash amount will be used to offset the relevant asset costs or expenses, and the lease liabilities will be adjusted accordingly; for the deferred rent payment, the Group will offset the lease liabilities recognised in the previous period when the actual payment is made.

As lessor

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset, except that a lease is classified as an operating lease at the inception date.

As lessor under an operating lease

Rent income under an operating lease is recognised on a straight-line basis over the lease term, through profit or loss for the current period. Variable lease payments that are not included in the measurement of lease receivables are charged to profit or loss for the current period as incurred.

The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

31. Hedge accounting

In respect of the methods of hedge accounting, the Group's hedging is classified as fair value hedge, that is a hedge of the exposure to changes in fair value of a recognised asset or liability or an unrecognised firm commitment (other than foreign exchange risk).

At the inception of a hedge relationship, the Group officially designates the hedge relationship and prepares formal written documentation of the hedge relationship, risk management objectives and hedge strategies. The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess the hedging instrument's effectiveness. Hedge effectiveness is the extent to which the changes in fair value or cash flows of the hedging instruments offset changes in the fair value or cash flow of hedged items caused by the hedged risk. Such hedges are assessed on an ongoing basis to ensure that such hedges are effective during the accounting period with designated hedging relationships.

If the hedging instrument expires or is sold, terminated or exercised (but the rollover or replacement of part of a hedging instrument under the hedging strategy is not treated as an expiration or a contract termination), or due to a change in the risk management objective, the hedging relationship no longer meets the risk management objective, or when the hedging no longer meets other conditions of the hedge accounting method, the Group terminates the use of hedge accounting.

Where the hedging relationship no longer meets the hedging effectiveness requirements due to the hedging ratio, but the risk management objectives for the designated hedging relationship have not changed, the Group rebalances the hedging relationship.

The Group's methodology for assessing the effectiveness of hedging, risk management strategy and how to apply the strategy to manage risks are described in Note V.68.

Hedges which meet the criteria for hedge accounting are accounted for as follows:

Fair value hedges

The gains or losses arising from the hedging instrument are recognised in profit or loss for the current period. The gains or losses arising from the hedging instrument shall be recognised in other comprehensive income if it is a hedge against the investment of a non-trading equity instrument investment designated to be measured at fair value through other comprehensive income. The gain or loss of the hedged item arising from risk exposure is recognised in profit or loss for the current period. If the hedged item is a non-trading equity instrument investment designated to be measured at fair value through other comprehensive income, the gain or loss arising from risk exposure is recognised in other comprehensive income. The book value of the hedged item that is not measured at fair value is adjusted accordingly.

For fair value hedge relating to debt instruments carried at amortised cost, the adjustments on the carrying amount of the hedged items are amortised to profit or loss over the remaining term of the hedge using the effective interest method. Amortisation using the effective interest rate may begin upon the adjustment of the carrying amount but no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged. If the hedged item is a debt instrument measured at fair value through other comprehensive income, the accumulation of recognised hedged gains or losses shall be amortised in the same manner and recognised in profit or loss for the current period, while the book value of financial assets is not adjusted. If the hedged item is terminated, the unamortised fair value is recognised in profit or loss for the current period.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with the corresponding gain or loss recognised in profit or loss for the current period. The fair value changes of hedging instruments are also recognised in profit or loss for the current period.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

31. Hedge accounting *(continued)*

Hedging costs

The Group separates the forward element and the spot element of a forward contract and designates as the hedging instrument only the change in the value of the spot element of the forward contract; the Group recognises the change in fair value of the forward element of the forward contract and the foreign currency basis spread of a financial instrument in other comprehensive income to the extent that they relate to the hedged items. For a time-period related hedged item, the changes in fair values are amortised on a systematic and rational basis over the period during which the hedged items could affect profit or loss or other comprehensive income and reclassified from other comprehensive income to profit or loss.

32. Share repurchase

The considerations and transaction costs occurred in repurchasing own equity instruments are deducted from equity. Equity movements are recognised on the issue (including refinancing), repurchase, sale, or cancellation of the Group's own equity instruments.

33. Profits distribution

Cash dividends of the Company are recognised as a liability after they are approved by the shareholders in a shareholders' general meeting.

34. Work safety fund

The work safety fund accrued pursuant to regulations are recognised as cost of relevant products or profit or loss for the current period, and are stated as special reserve at the same time. For the utilisation of the fee to pay for safety relevant expenses, the special reserve shall be reversed directly; capitalised expenditure shall be aggregated and recognised in fixed assets when the asset is ready for its intended use. The actual expenditure shall be offset with the balance of special reserve and full depreciation is provided for the asset at the same amount.

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

35. Fair value measurement

The Group measures its receivables financing, investments in debts and debt instruments, derivative financial instruments and equity investments at fair value at each end of the reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the relevant asset or liability, or in the absence of a principal market, in the most advantageous market for the relevant asset or liability. The principal or the most advantageous market must be accessible by the Group as at the measurement date. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data and other information are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Unobservable inputs are adopted only when observable inputs are not available or impracticable to be obtained.

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 which can be accessed at the measurement date; Level 2 – based on inputs other than those included within level 1 that are observable for the relevant asset or liability, either directly or indirectly; and Level 3 – based on unobservable inputs for the relevant asset and liability.

At each end of the reporting period, for assets and liabilities measured at fair value that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation.

36. Significant accounting judgements and estimates

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts and disclosure of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the reporting period. However, uncertainties about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements which have the most significant effects on the amounts recognised in the financial statements:

Joint arrangement – the investment in Barrick (Niugini) Limited (“BNL”) by the Group

The Group has determined that BNL is jointly controlled by Gold Mountains (H.K.) International Mining Co., Ltd. (“Gold Mountains (H.K.)”), a wholly-owned subsidiary of the Company, and Barrick (PD) Australia Pty Limited, and each of the parties has rights to the assets and obligations for the liabilities of BNL, eligible to BNL's products and recognises expenses incurred in the proportion of 50% each. Therefore, the Group accounts for it as a joint operation.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

36. Significant accounting judgements and estimates *(continued)*

Judgements *(continued)*

Business model

The classification of financial assets at initial recognition is dependent on the Group's business model for managing the assets. Factors considered by the Group in judging the business model include enterprise evaluation, the method of reporting the results of financial assets to key management members, risks affecting the results of financial assets and the method for managing such risks, as well as the form of remuneration received by the management personnel of the businesses concerned. In assessing whether the business model is aimed at receiving contractual cash flows, the Group is required to analyse and exercise judgement in respect of the reasons, timing, frequency and values of any disposals prior to maturity.

Characteristics of contractual cash flows

The classification of financial assets at initial recognition is dependent on the characteristics of the contractual cash flows of such type of financial assets. Judgement is required to determine whether the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding, including judgement of whether it is significantly different from the benchmark cash flows when assessing modifications to the time value of currencies.

Principal/agent

When the Group obtains control of trade goods from a third party and then transfers them to the customer, the Group is entitled to determine the transaction price of the trade goods on its own. The Group controls the trade goods before they are transferred to the customer. Thus, the Group is a principal and recognises revenue in the gross amount of consideration received or receivable. Otherwise, the Group is an agent and recognises revenue in the amount of any fee or commission to which it expects to be entitled from the customer. The amount is the net amount of the gross consideration received or receivable after paying the other party the consideration received in exchange for the goods to be provided by that party or determined by the agreed-upon amount or proportion of commissions, etc.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the future accounting periods, are described below.

Inventory provision determined on net realisable value

Inventory provision is made for those inventories with cost higher than the net realisable value based on the Group's accounting policies for inventories and the measurement of the lower of cost and net realisable value. At least at every financial period end of each year, the Group reviews if the costs of the inventories are lower than the net realisable value.

Impairment of financial instruments

The Group has adopted the expected credit loss model to evaluate the impairment of financial instruments. The application of the expected credit loss model requires significant judgements and estimates and the consideration of all reasonable and soundly based information, including forward-looking information. In making such judgements and estimates, the Group estimates the projected movements of the debtor's credit risk according to past repayment records, economic policies, macro-economic indicators and industry risks, etc. Different estimates may affect the impairment provision, and the amount of impairment provision may not equal to the actual amount of impairment loss in the future.

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

36. Significant accounting judgements and estimates *(continued)*

Estimation uncertainty *(continued)*

Impairment of non-current assets other than financial assets (excluding goodwill)

The Group assesses whether there are any indicators of impairment for non-current assets other than financial assets at the end of the reporting period. Intangible assets with indefinite useful lives are tested for impairment annually and at other times when such an indicator exists. Other non-current assets other than financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or asset group exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its present value of future cash flows. The calculation of the fair value less costs of disposal based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or asset group and choose a suitable discount rate in order to calculate the present value of those cash flows. Please refer to Notes V.14, 15, 16 and 18.

Impairment of goodwill

Goodwill is tested for impairment at least at the end of each year. For the purpose of impairment testing, the present value of future cash flows, which are generated from asset groups or sets of asset groups considered together with allocated goodwill, is estimated. The Group estimates the present value of future cash flows from asset groups or sets of asset groups by forecasting the related cash flows and selecting a suitable discount rate. Please refer to Note V.19.

Fair value of non-listed equity investments

Non-listed equity investments are valued as expected future cash flows based on the current discount rate of other financial instruments with similar contractual terms and risk characteristics. This requires the Group to estimate future cash flows, credit risks, fluctuations and discount rates and is therefore uncertain.

Useful lives of property, plant and equipment

The Company determines the estimated useful lives of the Group's property, plant and equipment. This estimation is based on the actual useful lives of property, plant and equipment with similar nature and functions and the historical experience. The Company will increase the depreciation charge where useful lives are less than previously estimated lives and will write off or write down technically obsolete or non-strategic fixed assets.

Exploration expenditures

Determination of the capitalisation amount of exploration expenditures requires management's estimation of future cash flows of the related assets, choosing a suitable discount rate and estimation of beneficial useful lives.

Proved mineral reserves

Proved mineral reserves are estimated based on professional knowledge, experience and industry practice. Generally, the mineral reserve volume estimated based on probing and estimation may not be very accurate. The estimation is updated in accordance with new technologies and new information. Any changes in estimation will have impacts on amounts of mining assets' depreciation and mining rights' amortisation using the units-of-production method, on the stripping ratio which was used in the capitalisation of stripping costs, and on each of transaction prices of the metals streaming business, etc. This may result in changes of or impacts on the Group's development and operation plan, and hence the Group's operation and operating results.

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(continued)*

36. Significant accounting judgements and estimates *(continued)*

Estimation uncertainty *(continued)*

Deferred tax assets

To the extent that it is probable that there are sufficient taxable profits to offset the deductible losses, deferred tax assets shall be recognised for all unused deductible losses. Substantial management's judgements regarding the timing, amount of future taxable profit as well as tax planning strategies are needed when estimating the amount of deferred tax assets.

Estimated compensation

The Group is involved in a number of litigations. The estimated compensation is based on management's understanding of the litigation and the opinions of legal counsels or legal representatives. These estimations are likely to be updated according to the progress of litigation. This may affect the Group's operation and operating results.

Provision for environmental rehabilitation and restoration of mines

Pursuant to the regulations of the governmental authorities in the places where the mines are located, the Group recognises provision for environmental rehabilitation and restoration of mines. The amount of provision is an estimate based upon the life of mining tenements, timing of mine closure and cost of such rehabilitation. When this estimate changes, it may affect the Group's operations and performance.

Lessee's incremental borrowing rate

If the interest rate implicit in the lease cannot be readily determined, the Group measures the lease liability at the present value of the lease payments discounted using the lessee's incremental borrowing rate. According to the economic environment, the Group takes the observable interest rate as the reference basis for determining the incremental borrowing rate, then adjusts the observable interest rate based on its own circumstances, underlying assets, lease terms and amounts of lease liabilities to determine the applicable incremental borrowing rate.

37. Change in accounting policy

There was no change in accounting policy during the reporting period.

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

IV. TAX

1. Major taxes and tax rates

Value added tax For the Company and the Company's subsidiaries incorporated and operating in the PRC: Sales of final gold products and gold-carrying minerals are exempted from VAT. The output VAT rate for the mining and processing of ferrous metals such as iron ore and non-ferrous metals such as copper concentrates, zinc concentrates, and the sales and processing of copper cathodes, zinc bullion, silver bullion and materials was 13%. The taxpayer is required to remit the VAT it collects to the tax authority, but may deduct the VAT it has paid on eligible purchases. The output VAT rate for transportation service was 9%, and that for trademark royalty income and technical service income is 6%. The taxpayer is required to remit the VAT it collects to the tax authority, but may deduct the VAT it has paid on eligible purchases.

For the Company's subsidiaries incorporated and operating abroad: The output VAT rate of 10%-20% is applicable to subsidiaries in different countries and regions according to local VAT or goods services tax ("GST") law.

City construction and maintenance tax Levied on actual payment of turnover tax at rates ranging from 1% to 7%.

Resource tax For the Company and the Company's subsidiaries incorporated and operating in the PRC: resource tax is calculated with the price-based method. The basis for taxation is the sales amount of original ore concentrates (or processed products from original ore), primary products or gold bullion. Since 1 July 2016, the tax rates were 1% to 4% for gold resources; 2% to 7% for copper resources; 1% to 6% for iron resources; and 2% to 6% for zinc-lead resources. Pursuant to the Resource Tax Law of the People's Republic of China (hereinafter referred to as the "Resource Tax Law") came into force on 1 September 2020, the tax rates are 2% to 6% for gold resources; 2% to 10% for copper resources; 1% to 9% for iron resources; and 2% to 10% for zinc-lead resources.

For the Company's subsidiaries incorporated and operating abroad: In accordance with the relevant provisions of local resource tax, utilisation fee of mine or mining tax of mineral resources, subsidiaries in different countries and regions abroad apply different tax rates. The tax rates are 2.5% to 8% for precious metals such as gold and silver resources and 2.5% to 7% for other bulk metals such as copper and zinc resources.

Corporate income tax	Countries or regions where the subsidiaries and joint arrangement are situated	Income tax rate
	Mainland China	25%
	Hong Kong	16.5%
	Australia, the Democratic Republic of the Congo and Papua New Guinea	30%
	The Republic of Serbia	15%
	The Republic of Tajikistan	13%
	The Russian Federation	20%
	Eritrea	38%
	Colombia	31%
	Guyana	25%
	The Kyrgyz Republic (Note 1)	

Note 1: For the Company's subsidiaries incorporated in the Kyrgyz Republic, according to the local tax laws, a zero corporate income tax rate is adopted for taxpayers specialising in mining activities and selling gold ore, gold concentrates, alloy gold and refined gold. Meanwhile, corporate income tax is imposed on the revenue ranging at the rate from 1% to 20% depending on the range of gold price.

Some subsidiaries of the Company enjoy preferential tax treatment. Please refer to Note IV.2 for details of the major subsidiaries of the Company which enjoy preferential tax treatment.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

IV. TAX *(continued)*

2. Tax incentives

Pursuant to the Notice of the Ministry of Finance, the State Taxation Administration and the General Administration of Customs on the Issues of Preferential Taxation Policies for Further Implementing the Western Development Strategy (Cai Shui [2011] No. 58) and the Notice of the Continuation of the Corporate Income Tax Policies under Western Development Strategy issued by the Ministry of Finance, the State Taxation Administration and the National Development and Reform Commission on 23 April 2020 (the Ministry of Finance Notice 2020 No. 23), from 1 January 2011 to 31 December 2030, the enterprises in the western region, which are engaged in encouraged industries can enjoy a reduced corporate income tax ("CIT") rate of 15%. According to the Notice Concerning Issuance and Amendment of "Handling Methods of Preferential Corporate Income Tax Policies" issued by the State Taxation Administration (State Taxation Administration Announcement 2018 No. 23), the handling methods of "self-determination, reporting the entitlement and retaining the relevant information for inspection" shall be adopted by the enterprises enjoying the tax concessions.

In 2021, the following subsidiaries of the Group fulfilled the conditions for enjoying tax concessions and were entitled to a reduced CIT rate of 15%:

- (1) Xinjiang Habahe Ashele Copper Co., Ltd. ("Ashele Copper") fulfilled the conditions of preferential taxation policies for the Western Development and was entitled to a tax concession at a preferential CIT rate of 15% in 2021.
- (2) Xinjiang Zijin Zinc Co., Ltd. ("Zijin Zinc") fulfilled the conditions of preferential taxation policies for the Western Development and was entitled to a tax concession at a preferential CIT rate of 15% in 2021.
- (3) Xinjiang Jinbao Mining Co., Ltd. ("Xinjiang Jinbao") fulfilled the conditions of preferential taxation policies for the Western Development and was entitled to a tax concession at a preferential CIT rate of 15% in 2021.
- (4) Hunchun Zijin Mining Co., Ltd. ("Hunchun Zijin") fulfilled the conditions of preferential taxation policies for the Western Development and was entitled to a tax concession at a preferential CIT rate of 15% in 2021.
- (5) Urad Rear Banner Zijin Mining Co., Ltd. ("Urad Rear Banner Zijin") fulfilled the conditions of preferential taxation policies for the Western Development and was entitled to a tax concession at a preferential CIT rate of 15% in 2021.

Pursuant to the Measures for the Implementation of Corporate Income Tax Policies of the Tibet Autonomous Region (Zang Zheng Fa [2014] No. 51), for enterprises in the Tibet Autonomous Region, the corporate income tax rate shall be 15% under the Western Development Strategy. Pursuant to the Provision of Preferential Policies for Investment Promotion of the Tibet Autonomous Region (Tentative) (Zang Zheng Fa [2018] No. 25), enterprises that have been approved for establishment before 1 January 2018 and enjoyed the regular tax reduction and exemption policies in accordance with the prevailing laws, regulations and the relevant provisions of the government of the autonomous region, shall continue to enjoy the tax reduction and exemption policies until 31 December 2021 after the implementation of the provisions. In 2021, the Group's subsidiary, Tibet Julong Copper Co., Ltd. ("Julong Copper") fulfilled the conditions for enjoying tax concessions and was entitled to a reduced CIT rate of 15%.

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

IV. TAX *(continued)*

2. Tax incentives *(continued)*

Pursuant to the Notice Concerning Revision and Issuance of Administration Policy for Determination of High and New Technology Enterprise (Guo Ke Fa Huo [2016] No. 32) issued by the Ministry of Science and Technology, the Ministry of Finance and the State Taxation Administration and the Notice Concerning Revision and Issuance of Administration Guideline on Determination of High and New Technology Enterprise (Guo Ke Fa Huo [2016] No. 195) issued by the Ministry of Science and Technology, the Ministry of Finance and the State Taxation Administration, the Company obtained the certificate of High and New Technology Enterprise jointly issued by authorities including the Science and Technology Department of Fujian Province, the Finance Department of Fujian Province, the State Tax Bureau of Fujian Province, the Local Tax Bureau of Fujian Province, etc. on 23 October 2017 (reference number: GR201735000251). The validity period of the certificate is from 23 October 2017 to 23 October 2020. After the expiration of the above certificate, the Company obtained the certificate of High and New Technology Enterprise jointly issued by the authorities including the Science and Technology Department of Fujian Province, the Finance Department of Fujian Province, Fujian Provincial Tax Bureau of State Taxation Administration, etc. on 1 December 2020 (reference number: GR202035000605). The validity period of the certificate is from 1 December 2020 to 30 November 2023. The Company was entitled to enjoy the preferential CIT policies for high and new technology enterprises and entitled to a tax concession of the CIT rate of 15% in 2021.

According to the Departmental Interpretation and Practice Notes No. 52 issued by the Inland Revenue Department of the Hong Kong Special Administrative Region, Zijin International Capital Company Limited fulfilled the conditions for being identified as a qualified corporate treasury center, and the income tax is reduced by 50%, i.e., income tax was levied at 8.25% in 2021.

The Company's subsidiaries incorporated in the Russian Federation fulfilled the prescribed conditions of local tax laws, the applicable income tax rate for 2019 was 0% and the applicable preferential income tax rate from 2020 to 2024 is 10%.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Cash and cash equivalents

	30 June 2021	31 December 2020
Cash	10,734,023	6,570,582
Bank deposits	16,583,399,949	11,621,138,439
Other monetary funds (Note 1)	913,662,486	327,630,275
	17,507,796,458	11,955,339,296
Including: Total amount with restrictions on use due to mortgage, pledge or freeze	486,464,100	168,653,056

Note 1: As at 30 June 2021, the balance of other monetary funds of the Group in Renminbi mainly included: land restoration and environmental rehabilitation costs of RMB71,249,242 (31 December 2020: RMB23,644,758). Pursuant to the relevant regulations of the local government, the Group provided a deposit for mine restoration and improvement of ecological environment in mines and deposited the fund in a specified bank account. The fund was restricted to the use for land restoration and environmental rehabilitation after mine closure; other guarantee deposits of RMB124,505,470, which were restricted to use (31 December 2020: RMB141,101,118); time deposits with maturity for more than three months but less than one year of RMB485,497,392 (31 December 2020: Nil); a deposit in the Shanghai Gold Exchange of RMB232,405,429 (31 December 2020: RMB158,977,219); and bank deposits with a carrying amount of RMB4,953 were frozen due to litigation (31 December 2020: RMB3,907,180).

As at 30 June 2021, cash and cash equivalents of the Group in the equivalent amount of RMB5,516,155,111 (31 December 2020: RMB3,625,917,786) were deposited outside Mainland China.

Current deposits earn interest income at the rate based on current deposit interest rates. Maturities of short-term time deposits range from 7 days to 12 months depending on the fund arrangement of the Group. Time deposits earn interest income at the relevant rates with different maturities.

2. Held for trading financial assets

	30 June 2021	31 December 2020
Financial assets at fair value through profit or loss		
Investments in debt instruments (Note 1)	2,119,148	4,381,741
Investments in equity instruments (Note 2)	767,736,294	521,815,633
Derivative financial assets (Note 3)	456,528,953	346,548,180
Current portion of other non-current financial assets (Note 4)	252,485,240	749,755,657
Others (Note 5)	956,994,140	307,640,955
	2,435,863,775	1,930,142,166

Note 1: The Group's investments in bonds.

Note 2: The Group's investments in stocks aimed at making short-term profits.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

2. Held for trading financial assets *(continued)*

Note 3: Derivative financial assets are as follows:

	30 June 2021	31 December 2020
(1) Derivative financial assets without designated hedging relationship	142,083,849	282,595,447
<i>Including: Forward contracts</i>	57,386,599	14,595,153
<i>Foreign currency forward contracts</i>	55,649,713	262,035,033
<i>Futures contracts</i>	29,047,537	5,965,261
(2) Hedging instruments – Forward contracts	314,445,104	63,952,733
	456,528,953	346,548,180

Note 4: Please refer to Note V.13 for details of the current portion of other non-current financial assets.

Note 5: The Group's investments in funds and other investments aimed at making short-term profits.

3. Trade receivables

Trade receivables are interest-free with a credit period of one to six months in general.

An ageing analysis of the trade receivables is as follows:

	30 June 2021	31 December 2020
Within 1 year	1,496,947,748	1,120,955,317
Over 1 year but within 2 years	27,664,316	17,600,061
Over 2 years but within 3 years	7,076,653	6,098,932
Over 3 years	14,737,246	15,596,350
	1,546,425,963	1,160,250,660
Less: Bad debt provision for trade receivables	20,394,540	18,801,049
	1,526,031,423	1,141,449,611

The ageing of trade receivables is calculated based on the issue date of the sales invoice.

Notes to Financial Statements (continued)

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

3. Trade receivables (continued)

Details of the Group's trade receivables for which bad debt provision has been made are as follows:

	30 June 2021				
	Carrying amount		Bad debt provision		Net book value
	Amount	Proportion (%)	Amount	Proportion (%)	
For which bad debt provision has been made individually	12,339,481	0.80	12,339,481	100	-
Provision for bad debts based on credit risk characteristics	1,534,086,482	99.20	8,055,059	0.53	1,526,031,423
	1,546,425,963	100.00	20,394,540	1.32	1,526,031,423

	31 December 2020				
	Carrying amount		Bad debt provision		Net book value
	Amount	Proportion (%)	Amount	Proportion (%)	
For which bad debt provision has been made individually	12,378,436	1.07	12,378,436	100.00	-
Provision for bad debts based on credit risk characteristics	1,147,872,224	98.93	6,422,613	0.56	1,141,449,611
	1,160,250,660	100.00	18,801,049	1.62	1,141,449,611

The Group's trade receivables with bad debt provision based on credit risk characteristics are as follows:

	30 June 2021			31 December 2020		
	Carrying amount with estimated default	Expected credit loss rate (%)	Entire lifetime expected credit losses	Carrying amount with estimated default	Expected credit loss rate (%)	Entire lifetime expected credit losses
Within 1 year	1,496,946,898	0.30	4,490,841	1,120,954,467	0.30	3,362,863
Over 1 year but within 2 years	27,564,316	6.00	1,653,859	17,500,061	6.00	1,050,004
Over 2 years but within 3 years	6,414,808	15.00	962,221	5,437,087	15.00	815,563
Over 3 years	3,160,460	30.00	948,138	3,980,609	30.00	1,194,183
	1,534,086,482		8,055,059	1,147,872,224		6,422,613

The movements of bad debt provision for the trade receivables are as follows:

	At the beginning of the year	Additions	Recovery or reversal	Write-off	At the end of the period
30 June 2021	18,801,049	1,654,641	(39,000)	(22,150)	20,394,540
31 December 2020	18,874,685	8,990,504	(8,761,229)	(302,911)	18,801,049

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

3. Trade receivables *(continued)*

The five entities with the largest balances of trade receivables at 30 June 2021 are as follows:

Name of entity	Relationship	Closing balance	Proportion of trade receivables (%)	Ageing	Closing balance of bad debt provision
Trafigura Pte Ltd. (Singapore)	Third party	85,739,525	5.54	Within 1 year	257,219
China Post Group Corporation Beijing Philatelic Bureau	Third party	39,174,912	2.53	Within 1 year	117,525
Intercontinental Resources HK Co., Limited	Third party	37,483,155	2.42	Within 1 year	112,449
Xinjiang Ba Yi Iron and Steel Co., Ltd.	Third party	36,397,000	2.35	Within 1 year	109,191
Kamoa Copper S.A. ("Kamoa Copper")	Subsidiary of a joint venture	21,508,117	1.39	Within 1 year	64,524
		220,302,709	14.23		660,908

The five entities with the largest balances of trade receivables at 31 December 2020 are as follows:

Name of entity	Relationship	Closing balance	Proportion of trade receivables (%)	Ageing	Closing balance of bad debt provision
China Post Group Corporation Beijing Philatelic Bureau	Third party	64,414,360	5.55	Within one year	193,243
Suning E-Commerce self-operated platform	Third party	60,472,725	5.21	Within one year	181,418
Kamoa Copper	Subsidiary of a joint venture	49,499,465	4.27	Within one year	148,498
Intercontinental Resources HK Co., Limited	Third party	48,424,315	4.17	Within one year	145,273
Jinchuan Group Copper Co., Ltd.	Third party	28,957,651	2.50	Within one year	86,873
		251,768,516	21.70		755,305

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

4. Receivables financing

	30 June 2021	31 December 2020
Bills receivable (Note 1)	1,789,602,662	1,584,054,139

Note 1: The Group reclassified bills receivable as financial assets at fair value through other comprehensive income, presented as receivables financing. Details are as follows:

	30 June 2021	31 December 2020
Bank acceptance bills	1,521,636,667	1,359,596,464
Commercial acceptance bills	302,311,769	240,240,529
Less: Other comprehensive income – changes in fair value	1,823,948,436 34,345,774	1,599,836,993 15,782,854
	1,789,602,662	1,584,054,139

The Group did not have any external pledged bills receivable as at 30 June 2021 and 31 December 2020.

Bills receivable endorsed or discounted by the Group which were not yet due at the end of the reporting period are as follows:

	30 June 2021		31 December 2020	
	Derecognised	Not derecognised	Derecognised	Not derecognised
Bank acceptance bills	408,563,556	166,197,125	530,150,820	260,976,849
Commercial acceptance bills	–	16,000,000	–	13,000,000
	408,563,556	182,197,125	530,150,820	273,976,849

5. Prepayments

An ageing analysis of the prepayments is as follows:

	30 June 2021		31 December 2020	
	Carrying amount	Proportion (%)	Carrying amount	Proportion (%)
Within 1 year	2,035,767,405	91.21	1,193,408,485	84.40
Over 1 year but within 2 years	79,574,025	3.57	84,072,335	5.95
Over 2 years but within 3 years	26,913,563	1.21	68,961,305	4.88
Over 3 years	89,642,359	4.01	67,467,431	4.77
	2,231,897,352	100.00	1,413,909,556	100.00
Less: Bad debt provision for prepayments	13,055,478		3,855,478	
	2,218,841,874		1,410,054,078	

As at 30 June 2021 and 31 December 2020, there were no prepayments with significant balances aged over one year.

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

5. Prepayments *(continued)*

The movements of bad debt provision for prepayments are as follows:

	At the beginning of the year	Additions	Reversal	Write-back/ Write-off	At the end of the period
30 June 2021	3,855,478	9,200,000	–	–	13,055,478
31 December 2020	2,712,458	1,143,020	–	–	3,855,478

The five entities with the largest balances of prepayments at 30 June 2021 are as follows:

Name of entity	Relationship	Closing balance	Proportion of prepayments (%)
Kamoa Copper S.A.	Subsidiary of a joint venture	969,015,000	43.42%
WH Metals Limited	Third party	66,361,884	2.97%
Heilongjiang Liujiu Mining Co., Ltd.	Third party	57,273,675	2.57%
Chifeng Fubang Copper Co., Ltd.	Third party	50,166,395	2.25%
Inner Mongolia Dongshengmiao Mining Co., Ltd.	Third party	48,409,154	2.17%
		1,191,226,108	53.37%

The five entities with the largest balances of prepayments at 31 December 2020 are as follows:

Name of entity	Relationship	Closing balance	Proportion of prepayments (%)
WH Metals Limited	Third party	81,307,032	5.75
Chifeng Fubang Copper Co., Ltd.	Third party	70,428,082	4.98
Trafigura Pte Ltd.	Third party	44,375,334	3.14
Wancheng Commercial Dongshengmiao Co., Ltd.	Associate	21,867,831	1.55
IXM S.A.	Third party	19,044,594	1.35
		237,022,873	16.77

Notes to Financial Statements *(continued)*

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

6. Other receivables

	30 June 2021	31 December 2020
Interest receivables	51,502,615	27,494,423
Other receivables	1,346,069,964	1,167,553,142
	1,397,572,579	1,195,047,565

An ageing analysis of other receivables is as follows:

	30 June 2021	31 December 2020
Within 1 year	961,963,084	781,877,337
Over 1 year but within 2 years	124,204,082	129,571,798
Over 2 years but within 3 years	113,879,344	116,546,865
Over 3 years	254,034,716	256,969,643
	1,454,081,226	1,284,965,643
Less: Bad debt provision for other receivables	108,011,262	117,412,501
	1,346,069,964	1,167,553,142

The changes in bad debt provision for other receivables based on 12-month expected credit losses and the entire lifetime expected credit losses are as follows:

30 June 2021

	Stage 1 12-month expected credit losses	Stage 2 Entire lifetime expected credit losses	Stage 3 Financial assets with credit impairment occurred (entire lifetime)	Total
Balance at 1 January	1,168,884	–	116,243,617	117,412,501
Balance at 1 January during the period	–	–	–	–
– Transferred to Stage 2	–	–	–	–
– Transferred to Stage 3	–	–	–	–
– Reversed to Stage 2	–	–	–	–
– Reversed to Stage 1	–	–	–	–
Provision during the period	2,954,322	–	328,184	3,282,506
Reversal during the period	–	–	(12,583,745)	(12,583,745)
Write-back during the period	–	–	–	–
Write-off during the period	–	–	(100,000)	(100,000)
Other changes	–	–	–	–
	4,123,206	–	103,888,056	108,011,262

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

6. Other receivables *(continued)*

The changes in bad debt provision for other receivables based on 12-month expected credit losses and the entire lifetime expected credit losses are as follows: *(continued)*

31 December 2020

	Stage 1	Stage 2	Stage 3	Total
	12-month expected credit losses	Entire lifetime expected credit losses	Financial assets with credit impairment occurred (entire lifetime)	
Balance at 1 January	1,102,771	–	115,640,331	116,743,102
Balance at 1 January during the year	–	–	–	–
– Transferred to Stage 2	–	–	–	–
– Transferred to Stage 3	–	–	–	–
– Reversed to Stage 2	–	–	–	–
– Reversed to Stage 1	–	–	–	–
Provision during the year	608,195	–	4,613,040	5,221,235
Reversal during the year	(542,082)	–	–	(542,082)
Write-back during the year	–	–	–	–
Write-off during the year	–	–	(4,009,754)	(4,009,754)
Other changes	–	–	–	–
	1,168,884	–	116,243,617	117,412,501

The movements of bad debt provision for other receivables are as follows:

	At the beginning of the year	Additions	Recovery or reversal	Write-off	At the end of the period
30 June 2021	117,412,501	3,282,506	(12,583,745)	(100,000)	108,011,262
31 December 2020	116,743,102	5,221,235	(542,082)	(4,009,754)	117,412,501

Notes to Financial Statements *(continued)*

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*6. Other receivables *(continued)*

The category of other receivables by nature is as follows:

	30 June 2021	31 December 2020
Advanced material costs	109,785,412	61,603,924
Due from non-controlling shareholders	12,085,854	15,391,446
Staff advances and reserve funds	70,899,469	62,376,623
Due from third parties	231,081,771	151,238,282
Receivables from joint ventures and associates	129,670,854	106,176,028
Guarantees and deposits	182,027,183	184,836,568
Tax rebate receivables	250,584,944	315,482,587
Receivables from disposal of assets	74,577,895	67,503,085
Deferred expenses	142,791,425	115,154,015
Receivables from settlement of futures	69,155,836	38,497,944
Others	181,420,583	166,705,141
	1,454,081,226	1,284,965,643
Less: Bad debt provision for other receivables	108,011,262	117,412,501
	1,346,069,964	1,167,553,142

The five entities with the largest balances of other receivables at 30 June 2021 are as follows:

	Closing balance	Proportion of other receivables (%)	Nature	Ageing	Closing balance of bad debt provision
Serbian Tax Administration (Note 1)	177,281,238	12.19	VAT refund receivables	Within 1 year	-
State Taxation Administration (Note 2)	73,303,706	5.04	VAT refund receivables	Within 1 year	-
Wengfu Zijin Chemical Co., Ltd. ("Wengfu Zijin") (Note 3)	64,073,861	4.41	Receivables from associates and joint ventures	Within 1 year	-
Wuping Tianan Urban Construction and Investment Development Co., Ltd. ("Wuping Tianan") (Note 4)	52,693,200	3.62	Due from third parties	Over 3 years	(52,693,200)
Fujian Makeng Mining Co., Ltd. ("Makeng Mining") (Note 5)	50,056,389	3.44	Receivables from associates and joint ventures	Within 1 year	-
	417,408,394	28.70			(52,693,200)

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

6. Other receivables *(continued)*

The five entities with the largest balances of other receivables at 31 December 2020 are as follows:

	Closing balance	Proportion of other receivables (%)	Nature	Ageing	Closing balance of bad debt provision
Serbian Tax Administration (Note 1)	185,215,207	14.41	VAT refund receivables	Within 1 year	–
State Taxation Administration (Note 2)	130,213,661	10.13	VAT refund receivables	Within 1 year	–
Gowling WLG (Canada) LLP (Note 6)	76,172,076	5.93	Deposits	Within 1 year	–
Wuping Tianan (Note 4)	54,193,200	4.22	Due from third parties	Over 3 years	(54,193,200)
Makeng Mining (Note 5)	50,062,028	3.90	Receivables from associates and joint ventures	Within 1 year	–
	495,856,172	38.59			(54,193,200)

Note 1: The amount represents VAT refund receivables from the Serbian Tax Administration of the Group's subsidiary, Serbian Zijin Copper Doo ("Serbia Zijin Copper"), for export sales. As at 30 June 2021, the amount of VAT refund receivables from the Serbian Tax Administration was equivalent to RMB177,281,238 (31 December 2020: RMB185,215,207).

Note 2: The amount represents VAT refund receivables from the State Taxation Administration of the People's Republic of China of the Group's subsidiaries, Zijin Mining Logistics Co., Ltd. ("Zijin Logistics") and Zijin Mining Logistics (Xiamen) Co., Ltd. ("Xiamen Logistics") for export sales. As at 30 June 2021, the total amount of VAT refund receivables from the State Taxation Administration of the People's Republic of China was RMB73,303,706 (31 December 2020: RMB130,213,661).

Note 3: In September 2020 and June 2021, Zijin Mining Group Finance Co., Ltd. ("Finance Company"), a subsidiary of the Group, provided loans amounting to RMB14,000,000 and RMB50,000,000, respectively, to Wengfu Zijin, an associate of the Group. As at 30 June 2021, the total principal and interest of the loans amounted to RMB64,073,861 (as at 31 December 2020, the total principal and interest of the loans amounted to RMB14,018,608). The loans would be due in August 2021 and June 2022, respectively.

Note 4: The Group's subsidiaries, Zijin Mining Group South Investment Co., Ltd. ("South Investment"), Wuping Zijin Mining Co., Ltd. ("Wuping Zijin") and Shanghang Jinshan Mining Co., Ltd. had provided loans to Wuping Tianan for reconstruction, relocation and land development project of the old town of Wuping County. The total amount of principal and interest due from Wuping Tianan was RMB54,193,200. The Group considered that it was difficult to recover the receivables and provided bad debt for the whole amount of the receivables in 2019. A loan principal of RMB1,500,000 was recovered during the reporting period.

Note 5: In September and October 2020, Zijin Mining Group Finance Co., Ltd. ("Finance Company"), a subsidiary of the Group, provided loans amounting to RMB30,000,000 and RMB20,000,000, respectively, to Makeng Mining, an associate of the Group. As at 30 June 2021, the total principal and interest of the loans amounted to RMB50,056,389 (as at 31 December 2020, the total principal and interest of the loans amounted to RMB50,062,028). The loans would be due in September and October 2021, respectively.

Note 6: The amount represents the litigation deposit deposited into the trust account by Guyana Goldfields Inc. ("Guyana Goldfields"), the Group's subsidiary newly acquired in 2020, due to litigation. As at 30 June 2021, the lawsuit had ended and the litigation deposit had been settled.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

7. Inventories

	30 June 2021			31 December 2020		
	Carrying amount	Inventory provision	Net book value	Carrying amount	Inventory provision	Net book value
Raw materials	6,410,918,551	(145,611,685)	6,265,306,866	8,254,740,505	(74,391,615)	8,180,348,890
Work in progress	8,407,442,356	(69,607,484)	8,337,834,872	8,502,479,668	(55,530,983)	8,446,948,685
Finished goods	2,009,105,218	(35,129,108)	1,973,976,110	1,463,768,438	(32,904,116)	1,430,864,322
Reusable materials	1,489,716	-	1,489,716	5,998,523	-	5,998,523
	16,828,955,841	(250,348,277)	16,578,607,564	18,226,987,134	(162,826,714)	18,064,160,420

The movements of inventory provision are as follows:

30 June 2021

	At the beginning of the year	Additions	Reductions		At the end of the period
			Reversal	Write-back	
Raw materials	74,391,615	75,350,768	(4,130,698)	-	145,611,685
Work in progress	55,530,983	14,076,501	-	-	69,607,484
Finished goods	32,904,116	7,804,321	(4,590,208)	(989,121)	35,129,108
	162,826,714	97,231,590	(8,720,906)	(989,121)	250,348,277

31 December 2020

	At the beginning of the year	Additions	Reductions		At the end of the year
			Reversal	Write-back	
Raw materials	25,972,918	54,977,137	(6,558,440)	-	74,391,615
Work in progress	52,238,740	7,238,313	(3,946,070)	-	55,530,983
Finished goods	26,725,257	23,398,800	(4,943,616)	(12,276,325)	32,904,116
	104,936,915	85,614,250	(15,448,126)	(12,276,325)	162,826,714

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

7. Inventories *(continued)*

30 June 2021 and 31 December 2020	Determination basis of net realisable value	Basis of making provision for inventories	Reasons for reversal of inventory provision
Raw materials	Market price of raw materials/ market price of relevant finished goods	Defectiveness and obsolescence/Decrease in market price of relevant finished goods	Increase in market price of relevant finished goods
Work in progress	Market price of relevant finished goods	Decrease in market price of relevant finished goods	Increase in market price of relevant finished goods
Finished goods	Market price/contract price	Decrease in market price	Increase in market price

As at 30 June 2021, the Group had no inventories with restricted ownership (31 December 2020: Nil).

As at 30 June 2021, the Group had no capitalised interest expenses in the closing balance of inventories (31 December 2020: Nil).

8. Current portion of non-current assets

	30 June 2021	31 December 2020
Current portion of long-term receivables (Note V.22)	16,300,343	40,255,087

9. Other current assets

	30 June 2021	31 December 2020
VAT recoverable	1,132,026,585	1,091,652,624
Deposit for futures contracts	485,853,083	509,584,616
Liquid cash for futures contracts	295,465,947	199,700,833
Taxes prepayment	168,657,647	125,474,546
Input VAT to be verified	2,212,639	2,687,516
Others	91,939,615	12,801,436
	2,176,155,516	1,941,901,571

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

10. Debt investments

	30 June 2021			31 December 2020		
	Carrying amount	Impairment provision	Net book value	Carrying amount	Impairment provision	Net book value
Large-denomination certificates of deposit with terms of over one year	455,157,945	-	455,157,945	255,811,321	-	255,811,321

In 2020, the Group purchased large-denomination certificates of deposit with terms of over one year, all of which will mature in 2023 and had a 3.85% deposit interest rate. In 2021, the Group purchased large-denomination certificates of deposit with terms of over one year, all of which will mature in 2024 and had a 3.64% deposit interest rate.

As at 30 June 2021, debt investments with a carrying amount of RMB250,000,000 (31 December 2020: RMB250,000,000) of the Group were subject to restrictions on title or use. Please refer to Note V.66 for details.

11. Long-term equity investments

	30 June 2021			31 December 2020		
	Carrying amount	Impairment provision	Net book value	Carrying amount	Impairment provision	Net book value
Investments in joint ventures	2,801,097,705	(17,575,099)	2,783,522,606	3,059,612,686	(17,575,099)	3,042,037,587
Investments in associates	4,839,577,329	(47,038,703)	4,792,538,626	4,104,656,029	(47,038,703)	4,057,617,326
	7,640,675,034	(64,613,802)	7,576,061,232	7,164,268,715	(64,613,802)	7,099,654,913

Notes to Financial Statements (continued)

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

11. Long-term equity investments (continued)

30 June 2021

	Movements during the period										Provision for impairment losses at the end of the period	
	At the beginning of the year	Additions	Reductions	Investment income/(losses) under the equity method	Other comprehensive income	Other changes in equity	Cash dividends declared by investee	Provision for impairment losses	Exchange differences arising from translation of financial statements	Carrying amount at the end of the period		
Joint ventures												
Gold Eagle Mining Investment Limited ("Gold Eagle Mining")	1,333,050,167	-	-	(7,131,532)	-	-	-	-	(13,204,219)	1,312,714,416	-	-
Shandong Guoda Gold Co., Ltd. ("Shandong Guoda")	168,342,497	-	-	5,448,431	-	-	-	-	-	173,790,928	(12,350,855)	-
Xiamen Zijin Zhonghang Properties Co., Ltd. ("Xiamen Zijin Zhonghang")	140,795,536	-	(125,000,000)	53,026	-	-	(15,848,562)	-	-	-	-	-
Guizhou Funeng Zijin Energy Co., Ltd. ("Guizhou Funeng Zijin")	74,742,531	-	-	(48,213)	-	-	-	-	-	74,694,318	-	-
Guizhou Southwest Zijin Gold Development Co., Ltd. ("Southwest Zijin Gold")	21,351,151	-	-	(182,590)	-	-	-	-	-	21,168,561	-	-
Fujian Longju Fishery Ecological Development Co., Ltd. ("Fujian Longju Fishery")	9,620,197	-	-	(8,191)	-	-	-	-	-	9,612,006	-	-
Kamoa Holding Limited ("Kamoa")	1,292,391,641	-	-	(90,415,467)	-	-	-	-	(12,504,766)	1,189,471,408	-	-
Poregra Service Company	1,743,867	-	-	327,102	-	-	-	-	-	2,070,969	-	-
Produzece za Provozodnju Bankamog Praha Pometon Tir Doo Bor ("Pometon")	-	-	-	-	-	-	-	-	-	-	-	(5,224,244)
Subtotal	3,042,037,587	-	(125,000,000)	(91,957,434)	-	-	(15,848,562)	-	(25,708,985)	2,783,522,606	-	(17,575,099)

Notes to Financial Statements (continued)

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

11. Long-term equity investments (continued)

30 June 2021 (continued)

	Movements during the period											
	At the beginning of the year	Additions	Reductions	Investment income/(losses) under the equity method	Other comprehensive income	Other	Other changes in equity	Cash dividends declared by investee	Provision for impairment losses	Exchange differences arising from translation of financial statements denominated in foreign currencies	Carrying amount at the end of the period	Provision for impairment losses at the end of the period
Associates												
Makeng Mining	996,371,405	-	-	248,198,122	-	-	-	-	-	-	1,244,569,527	-
Xinjiang Tianlong Mining Co., Ltd. ("Xinjiang Tianlong")	360,489,023	-	-	29,781,800	-	-	-	(5,382,665)	-	-	384,888,158	-
Wengfu Zijin Chemical Co., Ltd. ("Wengfu Zijin")	465,645,362	15,765,500	-	54,603,916	-	-	-	(19,487,500)	-	-	516,527,278	-
Fujian Haixia Technology Co., Ltd. ("Haixia Technology")	256,365,259	-	-	2,820,331	-	-	-	-	-	-	259,185,590	-
Wancheng Commercial Dongshengmiao Co., Ltd. ("Wancheng Commercial")	172,341,607	-	-	53,197,327	-	-	-	(30,875,000)	-	-	194,663,934	-
Xiamen Modern Terminals Co., Ltd. ("Xiamen Modern Terminals")	137,755,396	-	-	3,661,575	-	-	-	(8,750,000)	-	-	132,666,971	-
Tibet Yulong Copper Co., Ltd. ("Yulong Copper")	760,722,275	-	-	278,062,617	-	-	-	-	-	-	1,038,784,892	-
Shanghang Xinyuan Water Supply Co., Ltd. ("Shanghang Xinyuan")	102,143,816	-	-	(3,446,059)	-	-	-	-	-	-	98,697,757	-
Yanbian SMEs Investing and Financing Security Co., Ltd. ("Yanbian Security")	70,189,975	-	-	140,461	-	-	-	-	-	-	70,330,436	-
Xinjiang Kanas Travel Development Co., Ltd. ("Kanas Travel")	64,410,270	-	-	(4,218,000)	-	-	-	-	-	-	60,192,270	-
Fujian Shanghang Ting River Hydropower Co., Ltd. ("Ting River Hydropower")	68,822,654	-	-	(1,914,493)	-	-	-	-	-	-	66,908,161	-
Songpan Zijin Industrial and Commercial Co., Ltd. ("Songpan Zijin")	39,249,785	-	-	-	-	-	-	-	-	-	39,249,785	-

Notes to Financial Statements (continued)

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

11. Long-term equity investments (continued)

30 June 2021 (continued)

	Movements during the period										Provision for impairment losses at the end of the period	
	At the beginning of the year	Additions	Reductions	Investment income/(losses) under the equity method	Other comprehensive income	Other changes in equity	Cash dividends declared by investee	Provision for impairment losses	Exchange differences arising from translation of financial statements denominated in foreign currencies	Carrying amount at the end of the period		
Associates (continued)												
Fujian Wuping Zijin Hydropower Co., Ltd. ("Wuping Zijin Hydropower")	36,396,737	-	-	(1,448,522)	-	-	-	-	-	34,948,215	-	(47,038,703)
Hunchun Jindi Mining Co., Ltd. ("Hunchun Jindi")	-	-	-	-	-	-	-	-	-	-	-	-
Zisen (Xiamen) Supply Chain Management Co., Ltd. ("Zisen Supply Chain")	12,560,771	-	-	773,816	-	-	-	-	-	13,334,587	-	-
Zijin Mining Zifeng (Xiamen) Investment Partnership Enterprise (Limited Partnership)	-	3,000,000	-	-	-	-	-	-	-	3,000,000	-	-
Science Environmental Co., Ltd. ("Science")	234,862,425	-	-	11,151,071	-	-	-	-	-	246,013,496	-	-
Fujian Evergreen New Energy Technology Co., Ltd. ("Evergreen New Energy")	28,930,327	-	-	3,302,657	-	-	-	-	-	32,232,984	-	-
Beijing Anchuang Shenzhen Technology Co., Ltd. ("Beijing Anchuang Shenzhen")	144,000	-	-	-	-	-	-	-	-	144,000	-	-
Fujian Shanghang Caixi Cultural Media Co., Ltd. ("Caixi Cultural")	3,000,000	-	-	-	-	-	-	-	-	3,000,000	-	-
China Gezhoubda Group Explosive Co., Ltd. Maizhokunggar Branch (Note 1)	29,533,750	-	-	-	-	-	-	-	-	29,533,750	-	-
China Minmetals Non-Ferrous Metals Jiangsu Company Limited	-	9,000,000	-	-	-	-	-	-	-	9,000,000	-	-
Sino-Zijin Resources Ltd. ("Sino-Zijin Resources") (Note 2)	217,682,489	-	-	(3,015,654)	-	-	-	-	-	214,666,835	-	-
Yixing Jiayu Hongqie Zhananyi Equity Investment Partnership Enterprise (Limited Partnership) (Note 3)	-	100,000,000	-	-	-	-	-	-	-	100,000,000	-	-
Subtotal	4,057,617,326	127,765,500	-	671,650,965	-	-	(64,495,165)	-	-	4,792,538,626	-	(47,038,703)
Total	7,099,654,913	127,765,500	(125,000,000)	579,693,531	-	-	(80,343,727)	-	(25,708,985)	7,576,061,232	-	(64,613,802)

Notes to Financial Statements (continued)

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

11. Long-term equity investments (continued)

31 December 2020

	Movements during the year										
	At the beginning of the year	Additions	Reductions	Investment income/(losses) under the equity method	Other comprehensive income	Other changes in equity	Cash dividends declared by investee	Provision for impairment losses	Exchange differences arising from translation of financial statements denominated in foreign currencies	Carrying amount at the end of the year	Provision for impairment losses at the end of the year
Joint ventures											
Gold Eagle Mining	1,441,844,336	-	-	(37,554,117)	17,549,867	-	-	-	(88,789,919)	1,333,050,167	-
Shandong Guoda	165,368,825	-	-	11,988,372	-	-	(9,014,700)	-	-	168,342,497	(12,350,855)
Xiamen Zijin Zhonghang	174,604,090	-	-	2,024,011	-	-	(5,832,565)	-	-	140,795,536	-
Guizhou Funeng Zijin	74,816,879	-	-	(74,348)	-	-	-	-	-	74,742,531	-
Southwest Zijin Gold	21,005,109	-	-	346,042	-	-	-	-	-	21,351,151	-
Fujian Longhu Fishery	9,431,726	-	-	188,471	-	-	-	-	-	9,620,197	-
Kamao	1,568,865,864	-	-	(184,978,875)	-	-	-	-	(91,495,348)	1,292,391,641	-
Porgera Service Company	646,760	-	-	1,097,107	-	-	-	-	-	1,743,867	-
Pometon	5,621,368	-	-	-	-	-	-	(5,224,244)	(397,124)	-	(5,224,244)
Subtotal	3,462,204,957	-	-	(206,963,337)	17,549,867	-	(44,847,265)	(5,224,244)	(180,682,391)	3,042,037,587	(17,575,099)

Notes to Financial Statements (continued)

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

11. Long-term equity investments (continued)

31 December 2020 (continued)

	Movements during the year										
	At the beginning of the year	Additions	Reductions	Investment income/(losses) under the equity method	Other comprehensive income	Other changes in equity	Cash dividends declared by investee	Provision for impairment losses	Exchange differences arising from translation of financial statements denominated in foreign currencies	Carrying amount at the end of the year	Provision for impairment losses at the end of the year
Associates											
Makeng Mining	877,501,833	-	-	118,869,572	-	-	-	-	-	996,371,405	-
Xinjiang Tianlong	349,662,025	-	-	16,209,663	-	-	(5,382,665)	-	-	360,489,023	-
Wengfu Zijin	367,811,453	-	-	97,833,909	-	-	-	-	-	465,645,362	-
Haixia Technology	237,042,676	-	-	19,322,583	-	-	-	-	-	256,365,259	-
Wancheng Commercial	142,611,050	-	-	60,605,557	-	-	(30,875,000)	-	-	172,341,607	-
Xiamen Modern Terminals	134,927,823	-	-	2,827,573	-	-	-	-	-	137,755,396	-
Yulong Copper	677,621,434	-	-	83,100,841	-	-	-	-	-	760,722,275	-
Shanghang Xinyuan	100,475,763	-	-	1,668,053	-	-	-	-	-	102,143,816	-
Yanbian Security	71,648,005	-	-	(1,458,030)	-	-	-	-	-	70,189,975	-
Kanas Travel	81,655,800	-	-	(17,245,530)	-	-	-	-	-	64,410,270	-
Ting River Hydropower	72,007,654	-	-	1,715,000	-	-	(4,900,000)	-	-	68,822,654	-

Notes to Financial Statements (continued)

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

11. Long-term equity investments (continued)

31 December 2020 (continued)

	Movements during the year										
	At the beginning of the year	Additions	Reductions	Investment income/(losses) under the equity method	Other comprehensive income	Other changes in equity	Cash dividends declared by investee	Provision for impairment losses	Exchange differences arising from translation of financial statements denominated in foreign currencies	Carrying amount at the end of the year	Provision for impairment losses at the end of the year
Associates (continued)											
Songpan Zijin	39,249,785	-	-	-	-	-	-	-	-	39,249,785	-
Wuping Zijin Hydropower	44,892,383	-	-	(2,255,646)	-	-	(6,240,000)	-	-	36,396,737	-
Hunchun Jindi	-	-	-	-	-	-	-	-	-	-	(47,038,703)
Zisen Supply Chain	10,654,407	-	-	2,626,364	-	-	(720,000)	-	-	12,560,771	-
Fujian Kingkop	3,515,774	-	(3,106,925)	(408,849)	-	-	-	-	-	-	-
Science	220,666,005	-	-	14,196,420	-	-	-	-	-	234,862,425	-
Evergreen New Energy	271,233,266	-	-	1,807,061	-	-	-	-	-	28,930,327	-
Beijing Anchuang Shenzhen	144,000	-	-	-	-	-	-	-	-	144,000	-
Caxi Cultural	3,000,000	-	-	-	-	-	-	-	-	3,000,000	-
China Gezhoubao Group Explosive Co., Ltd.	-	28,383,638	-	1,150,112	-	-	-	-	-	29,533,750	-
Maizhokunggar Branch (Note 1)	-	217,810,400	-	(127,911)	-	-	-	-	-	217,682,489	-
Sino-Zijin Resources (Note 2)	-	-	-	-	-	-	-	-	-	-	-
Subtotal	3,462,211,136	246,194,038	(3,106,925)	400,436,742	-	-	(48,117,665)	-	-	4,057,617,326	(47,038,703)
Total	6,924,416,093	246,194,038	(3,106,925)	193,473,405	17,549,867	-	(92,964,930)	(5,224,244)	(180,682,391)	7,099,654,913	(64,613,802)

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

11. Long-term equity investments *(continued)*

Movements of provision for impairment losses of long-term equity investments:

30 June 2021

	At the beginning of the year	Additions	Reductions	At the end of the period
Joint venture – Shandong Guoda	12,350,855	–	–	12,350,855
Joint venture – Pometon	5,224,244	–	–	5,224,244
Associate – Hunchun Jindi	47,038,703	–	–	47,038,703
	64,613,802	–	–	64,613,802

31 December 2020

	At the beginning of the year	Additions	Reductions	At the end of the year
Joint venture – Zijin Cuifu	3,464,168	–	(3,464,168)	–
Joint venture – Shandong Guoda	12,350,855	–	–	12,350,855
Joint venture – Pometon	–	5,224,244	–	5,224,244
Associate – Hunchun Jindi	47,038,703	–	–	47,038,703
	62,853,726	5,224,244	(3,464,168)	64,613,802

Note 1: China Gezhouba Group Explosive Co., Ltd. Maizhokunggar Branch is an associate of Julong Copper. Julong Copper was included in the scope of consolidation during the year ended 31 December 2020, as a result of which China Gezhouba Group Explosive Co., Ltd. Maizhokunggar Branch has become an associate of the Group.

Note 2: On 31 August 2020, the Group, together with Beijing Institute of Geology for Mineral Resources Co., Ltd. and Beijing Aolian Zhuocheng Science and Technology Partnership Enterprise (Limited Partnership) jointly invested in and incorporated Sino-Zijin Resources with a registered capital of RMB518,596,200. The Group holds 42% of its equity interest. As at 31 December 2020, the Group had invested a total of RMB217,810,400 in cash. Pursuant to the articles of association of Sino-Zijin Resources, the board of directors of Sino-Zijin Resources consists of five directors, including two appointed by the Group. The resolutions of the board of directors are effective only when approved by more than half of the directors. Therefore, the management of the Group considers that the Group has significant influence over the financial and operating decisions of Sino-Zijin Resources, and accounts for it as an associate.

Note 3: On 11 June 2021, Zijin Mining Ziniu (Xiamen) Industry Investment Fund Partnership Enterprise (Limited Partnership) (a subsidiary of the Group), Jiayu Hongde Investment (Shanghai) Co., Ltd. and others (21 partners in total) jointly invested in and incorporated Yixing Jiayu Hongde Zhanyi Equity Investment Partnership Enterprise (Limited Partnership). The registered capital of the partnership enterprise was RMB263,380,000, the Group held 37.97% of its equity interest. As at 30 June 2021, the Group had invested RMB100,000,000 in cash. Pursuant to the partnership agreement, partner meetings can only be convened validly if partners with more than two-thirds of the voting rights attend the meetings. The resolutions of the meetings can only be passed upon approval of all the partners with voting right attending the meetings. Therefore, the management of the Group considers that the Group has significant influence over the financial and operating decisions of the partnership enterprise, and accounts for it as an associate.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

12. Other equity instrument investments

30 June 2021

	Cost	Accumulated changes in fair value recognised in other comprehensive income	Fair value	Dividend income for the current period Equity instruments held	Reasons for designating at fair value through other comprehensive income
Non-listed company					
Fujian Shanghang Rural Commercial Bank Company Limited ("Shanghang Rural Commercial Bank")	89,900,000	17,531,465	107,431,465	12,316,500	Long-term holding
Rongda Gold (Sichuan) Limited (formerly known as Muli County Rongda Mining Company Limited, "Muli Rongda")	74,950,241	34,515,218	109,465,459	14,412,000	Long-term holding
Lenghu Bindi Potash Co., Ltd. ("Bindi Potash")	187,106,400	(141,551,669)	45,554,731	–	Long-term holding
Beijing Larkworld Environmental Technology Incorporated Company ("Beijing Larkworld")	76,739,294	(6,668,386)	70,070,908	–	Long-term holding
Fujian Shanghang Xingcheng Financing Guarantee Company Limited ("Xingcheng Guarantee")	50,000,000	(3,740,144)	46,259,856	–	Long-term holding
Guizhou Zhenfeng Rural Commercial Bank Company Limited ("Zhenfeng Rural Commercial Bank")	11,074,000	6,640,222	17,714,222	926,100	Long-term holding
Sichuan Liwu Copper Company Limited ("Liwu Copper")	19,850,000	38,689,208	58,539,208	1,200,000	Long-term holding
Nanjing China-Spacenet Satellite Telecom Co., Ltd. (formerly known as Nanjing China Net Communication Company Limited, "Nanjing China Net")	25,000,000	(9,215,586)	15,784,414	100,000	Long-term holding
Xinjiang Wuxin Copper Co., Ltd. ("Wuxin Copper")	6,731,300	811,613	7,542,913	–	Long-term holding
China Supply Chain Cloud Finance Company Ltd. ("CSCC")	6,500,000	(2,896,403)	3,603,597	–	Long-term holding
Histron Technology (Fujian) Group Co., Ltd. ("Histron")	4,200,000	2,416,428	6,616,428	–	Long-term holding
Ningbo Maverick Zhongying Equity Investment Partnership Enterprise (Limited Partnership) ("Maverick Zhongying")	21,084,246	–	21,084,246	–	Long-term holding
Haian Rubber Group Co., Ltd.	75,000,000	–	75,000,000	–	Long-term holding
Others	12,923,209	(8,864,063)	4,059,146	–	Long-term holding
	661,058,690	(72,332,097)	588,726,593	28,954,600	

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

12. Other equity instrument investments *(continued)*

30 June 2021 *(continued)*

	Cost	Accumulated changes in fair value recognised in other comprehensive income	Fair value	Dividend income for the current period	Reasons for designating at fair value through other comprehensive income
				Equity instruments held	
Listed company					
Ivanhoe Mines Ltd. ("Ivanhoe")	2,156,509,219	5,555,618,295	7,712,127,514	-	Strategic investment
Galiano Gold Inc. (formerly known as Asanko Gold Inc.)	83,621,056	24,805,884	108,426,940	-	Strategic investment
Lydian International Ltd.	25,032,440	(23,358,564)	1,673,876	-	Strategic investment
Chrometco Ltd.	2,780,424	(1,763,192)	1,017,232	-	Strategic investment
Xinjiang Xinxin Mining Industry Company Limited ("Xinjiang Xinxin")	18,314,097	35,454,703	53,768,800	-	Strategic investment
Altamira Gold Corp. (formerly known as Equitas Resources Corp.)	8,228,211	(7,721,972)	506,239	-	Strategic investment
Omai Gold Mines Corp.	3,981,653	(487,481)	3,494,172	-	Strategic investment
Loncor Resources Inc.	6,492,653	(14,518)	6,478,135	-	Strategic investment
Aris Gold Corp.	13,289,644	(2,035,894)	11,253,750	-	Strategic investment
AVZ Minerals Limited	5,670,488	28,986	5,699,474	-	Strategic investment
	2,323,919,885	5,580,526,247	7,904,446,132	-	
	2,984,978,575	5,508,194,150	8,493,172,725	28,954,600	

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

12. Other equity instrument investments *(continued)*

31 December 2020

	Cost	Accumulated changes in fair value recognised in other comprehensive income	Fair value	Dividend income for the current year Equity instruments held	Reasons for designating at fair value through other comprehensive income
Non-listed company					
Shanghang Rural Commercial Bank	89,900,000	1,843,949	91,743,949	13,800,000	Long-term holding
Muli Rongda	74,950,241	48,180,505	123,130,746	–	Long-term holding
Bindi Potash	187,106,400	(130,919,712)	56,186,688	–	Long-term holding
Beijing Larkworld	76,739,294	6,608,385	83,347,679	–	Long-term holding
Xingcheng Guarantee	50,000,000	(7,796,580)	42,203,420	–	Long-term holding
Zhenfeng Rural Commercial Bank	11,074,000	14,647,010	25,721,010	1,131,900	Long-term holding
Liwu Copper	19,850,000	34,385,083	54,235,083	2,400,000	Long-term holding
Nanjing China Net	25,000,000	(8,837,288)	16,162,712	–	Long-term holding
Wuxin Copper	6,731,300	1,766,301	8,497,601	–	Long-term holding
CSCC	6,500,000	(1,574,280)	4,925,720	–	Long-term holding
Histron	4,200,000	2,487,611	6,687,611	–	Long-term holding
Maverick Zhongying	21,084,246	–	21,084,246	–	Long-term holding
Others	12,932,111	(8,864,063)	4,068,048	–	Long-term holding
	586,067,592	(48,073,079)	537,994,513	17,331,900	

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

12. Other equity instrument investments *(continued)*

31 December 2020 *(continued)*

	Cost	Accumulated changes in fair value recognised in other comprehensive income	Fair value	Dividend income for the current year Equity instruments held	Reasons for designating at fair value through other comprehensive income
Listed company					
Ivanhoe	2,178,116,952	3,627,763,405	5,805,880,357	–	Strategic investment
Galiano Gold Inc. (formerly known as Asanko Gold Inc.)	84,459,862	27,450,655	111,910,517	–	Strategic investment
Lydian International Ltd.	25,283,509	(23,592,876)	1,690,633	–	Strategic investment
Xinjiang Xinxin	18,314,097	5,267,314	23,581,411	–	Strategic investment
Altamira Gold Corp. (formerly known as Equitas Resources Corp.)	8,310,748	(8,047,625)	263,123	–	Strategic investment
Chrometco Ltd.	2,749,189	(1,743,385)	1,005,804	–	Strategic investment
	2,317,234,357	3,627,097,488	5,944,331,845	–	
	2,903,301,949	3,579,024,409	6,482,326,358	17,331,900	

13. Other non-current financial assets

	30 June 2021	31 December 2020
Jinrui Co-operative Business Operation Project (Note 1)	252,485,240	749,755,657
Trust protection fund (Note 2)	62,500,000	37,500,000
	314,985,240	787,255,657
Current portion of other non-current financial assets	(252,485,240)	(749,755,657)
	62,500,000	37,500,000

Note 1: On 1 January 2019, the Group's subsidiaries entered into an agreement with Xiamen Jinrui Commercial Factoring Co., Ltd. to cooperate in the documentary factoring of commercial acceptance bills for a period of three years. As at 30 June 2021, the investment cost of the project was RMB252,060,000 and the fair value change was RMB425,240. The project will end on 31 December 2021.

Note 2: In 2020 and 2021, the Company accepted trust loans from its subsidiaries respectively. In accordance with Yin Jian Fa [2014] No. 50, Yin Jian Ban Fa [2015] No. 32 and other relevant regulations, the Group is required to purchase trust protection fund at 1% of the outstanding balance of the trust loans. The holding period of the fund is the same as the term of the trust loans, which is three years. As at 30 June 2021, the outstanding balance of the trust protection fund was RMB62,500,000 (31 December 2020: RMB37,500,000).

Notes to Financial Statements *(continued)*

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

14. Investment properties

Buildings subsequently measured under the cost model:

	30 June 2021	31 December 2020
Cost		
At the beginning of the year	182,829,089	182,659,768
Other additions	–	169,321
Other reductions	(149,894)	–
At the end of the period	182,679,195	182,829,089
Accumulated depreciation and amortisation		
At the beginning of the year	58,758,216	52,286,379
Depreciation and amortisation for the period	3,224,020	6,471,837
Other reductions	–	–
At the end of the period	61,982,236	58,758,216
Impairment provision		
At the beginning of the year	–	–
Impairment for the period	–	–
Other reductions	–	–
At the end of the period	–	–
Net book value		
At the end of the period	120,696,959	124,070,873
At the beginning of the year	124,070,873	130,373,389

The investment properties were leased to third parties under operating leases.

* The Group's investment properties are situated in Mainland China and are held under medium-term leases.

As at 30 June 2021, there were no investment properties of which certificates of title have not been obtained (31 December 2020: Nil).

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

15. Fixed assets

30 June 2021

	Buildings	Mining assets	Power generation and transmission equipment	Plant, machinery and equipment	Motor vehicles	Furniture and fixtures and others	Total
Cost							
At 1 January 2021	14,061,265,752	33,687,063,278	2,885,414,534	22,765,237,632	3,242,037,187	796,371,529	77,437,389,912
Purchases	104,907,233	538,687,824	11,914,120	253,349,442	368,271,381	39,761,013	1,316,891,013
Transfers from construction in progress	310,319,988	239,386,417	24,607,387	738,205,836	-	6,739,313	1,319,258,941
Disposals or write-off	(99,776,138)	(83,669,674)	(19,434,147)	(279,521,719)	(12,415,552)	(7,370,024)	(502,187,254)
Exchange realignments	(38,942,351)	(74,168,408)	(9,740,801)	(91,378,156)	(22,508,296)	(3,593,221)	(240,331,233)
At 30 June 2021	14,337,774,484	34,307,299,437	2,892,761,093	23,385,893,035	3,575,384,720	831,908,610	79,331,021,379
Accumulated depreciation							
At 1 January 2021	3,813,049,026	10,450,273,139	1,141,349,895	9,895,184,205	1,145,489,397	419,795,585	26,865,141,247
Depreciation for the period	374,599,221	1,058,858,300	116,408,545	972,344,408	230,736,321	57,921,476	2,810,868,271
Disposals or write-off	(78,568,292)	(64,298,723)	(9,586,136)	(224,534,368)	(10,305,132)	(6,509,143)	(393,801,794)
Exchange realignments	(7,948,948)	(18,002,411)	(2,724,636)	(35,106,696)	(8,200,100)	(8,995,524)	(80,978,315)
At 30 June 2021	4,101,131,007	11,426,830,305	1,245,447,668	10,607,887,549	1,357,720,486	462,212,394	29,201,229,409
Impairment provision							
At 1 January 2021	366,532,634	1,493,667,142	11,681,375	153,183,168	1,178,310	335,082	2,026,577,711
Impairment provided for the period	-	-	-	-	-	-	-
Disposals or write-off	(11,651,237)	(1,647,238)	(64,567)	(179,917)	-	-	(13,542,959)
At 30 June 2021	354,881,397	1,492,019,904	11,616,808	153,003,251	1,178,310	335,082	2,013,034,752
Net book value							
At 30 June 2021	9,881,762,080	21,388,449,228	1,635,696,617	12,625,002,235	2,216,485,924	369,361,134	48,116,757,218
At 1 January 2021	9,881,684,092	21,743,122,997	1,732,383,264	12,716,870,259	2,095,369,480	376,240,862	48,545,670,954

Notes to Financial Statements (continued)

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

15. Fixed assets (continued)

31 December 2020

	Buildings	Mining assets	Power generation and transmission equipment	Plant, machinery and equipment	Motor vehicles	Furniture and fixtures and others	Total
Cost							
At 1 January 2020	12,223,134,209	27,558,422,844	2,183,888,940	18,801,496,758	1,927,201,840	653,609,027	63,347,753,618
Purchases	860,719,260	2,749,302,109	208,171,829	804,961,876	700,335,386	138,143,873	5,461,634,333
Transfers from construction in progress	1,080,706,279	4,382,491,252	305,697,254	3,593,526,992	23,660,487	45,247,579	9,431,329,843
Business combination not involving enterprises under common control	43,041,806	300,567,367	6,808,181	1,203,649,995	441,073,063	61,842,062	2,056,982,474
Disposals or write-off	(128,906,724)	(357,572,873)	(39,382,589)	(427,774,134)	(39,222,315)	(36,995,307)	(1,029,853,942)
Reclassification	267,320,346	(153,933,805)	293,357,623	(601,173,139)	248,537,043	(54,108,068)	-
Exchange realignments	(284,749,424)	(792,213,616)	(73,126,704)	(609,450,716)	(59,548,317)	(11,367,637)	(1,830,456,414)
At 31 December 2020	14,061,265,752	33,687,063,278	2,885,414,534	22,765,237,632	3,242,037,187	796,371,529	77,437,389,912
Accumulated depreciation							
At 1 January 2020	3,179,190,464	8,780,494,261	962,969,637	8,673,891,132	987,976,730	363,784,915	22,948,307,139
Depreciation for the year	760,944,436	2,253,034,850	211,323,223	1,943,876,111	229,685,882	92,081,752	5,490,946,254
Disposals or write-off	(56,896,473)	(278,540,644)	(12,667,701)	(404,924,298)	(34,035,800)	(30,892,799)	(817,957,715)
Exchange realignments	(70,189,401)	(304,715,328)	(20,275,264)	(317,658,740)	(38,137,415)	(5,178,283)	(756,154,431)
At 31 December 2020	3,813,049,026	10,450,273,139	1,141,349,895	9,895,184,205	1,145,489,397	419,795,585	26,865,141,247
Impairment provision							
At 1 January 2020	299,981,498	1,335,088,757	9,336,086	129,584,012	449,739	239,997	1,774,680,089
Impairment provided for the year	69,561,099	158,578,385	2,345,289	37,426,315	728,571	95,085	268,734,744
Disposals or write-off	(3,009,963)	-	-	(13,827,159)	-	-	(16,837,122)
At 31 December 2020	366,532,634	1,493,667,142	11,681,375	153,183,168	1,178,310	335,082	2,026,577,711
Net book value							
At 31 December 2020	9,881,684,092	21,743,122,997	1,732,383,264	12,716,870,259	2,095,369,480	376,240,862	48,545,670,954
At 1 January 2020	8,743,962,247	17,442,839,826	1,211,583,217	9,998,021,614	938,775,371	289,584,115	38,624,766,390

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

15. Fixed assets *(continued)*

Fixed assets that are temporarily idle are as follows:

30 June 2021

	Cost	Accumulated depreciation	Impairment provision	Net book value
Buildings	676,051,757	(264,453,527)	(211,521,097)	200,077,133
Mining assets	1,738,054,846	(557,868,935)	(1,006,483,709)	173,702,202
Plant, machinery and equipment	599,392,395	(423,820,833)	(96,431,595)	79,139,967
Motor vehicles	35,954,954	(18,609,857)	(16,359,507)	985,590
Power generation and transmission equipment	31,205,052	(25,719,185)	(1,427,980)	4,057,887
Furniture and fixtures and others	4,978,569	(4,734,934)	(73,033)	170,602
	3,085,637,573	(1,295,207,271)	(1,332,296,921)	458,133,381

31 December 2020

	Cost	Accumulated depreciation	Impairment provision	Net book value
Buildings	1,197,511,053	(303,570,689)	(165,531,584)	728,408,780
Mining assets	1,759,375,955	(534,706,118)	(479,535,379)	745,134,458
Plant, machinery and equipment	601,287,558	(380,235,947)	(84,330,844)	136,720,767
Motor vehicles	82,754,770	(74,394,586)	(715,588)	7,644,596
Power generation and transmission equipment	27,579,390	(19,287,069)	(502,802)	7,789,519
Furniture and fixtures and others	3,830,007	(3,506,657)	(339)	323,011
	3,672,338,733	(1,315,701,066)	(730,616,536)	1,626,021,131

Notes to Financial Statements *(continued)*

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*15. Fixed assets *(continued)*

Fixed assets leased out under operating leases are as follows:

30 June 2021

	Cost	Accumulated depreciation	Impairment provision	Net book value
Buildings	79,997,056	(26,725,011)	–	53,272,045
Mining assets	19,048,740	(9,016,507)	–	10,032,233
Power generation and transmission equipment	738,592	(537,941)	–	200,651
Plant, machinery and equipment	18,799,264	(11,000,617)	–	7,798,647
Motor vehicles	4,800	(4,560)	–	240
Others	108,917	(105,649)	–	3,268
	118,697,369	(47,390,285)	–	71,307,084

31 December 2020

	Cost	Accumulated depreciation	Impairment provision	Net book value
Buildings	36,348,037	(16,314,883)	–	20,033,154
Mining assets	19,048,740	(8,563,066)	–	10,485,674
Power generation and transmission equipment	3,730,676	(3,337,400)	–	393,276
Plant, machinery and equipment	5,176,615	(4,642,532)	–	534,083
	64,304,068	(32,857,881)	–	31,446,187

Fixed assets of which certificates of title have not been obtained are as follows:

	30 June 2021 Net book value	31 December 2020 Net book value	Reason why certificates of title have not been obtained
Buildings	1,120,243,789	1,135,902,905	In the process of application/ the projects were unsettled
Mining assets	62,915	67,576	In the process of application/ the projects were unsettled
	1,120,306,704	1,135,970,481	

At 30 June 2021, the net book value of the Group's fixed assets with restrictions on title or use was RMB893,122,004 (31 December 2020: RMB1,650,541,716). Please refer to Note V.66 for details.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

16. Construction in progress

	30 June 2021	31 December 2020
Construction in progress	19,436,070,569	14,909,935,802
Construction materials	374,327,599	326,093,780
	19,810,398,168	15,236,029,582

Construction in progress

30 June 2021			31 December 2020		
Carrying amount	Impairment provision	Net book value	Carrying amount	Impairment provision	Net book value
20,203,713,839	(767,643,270)	19,436,070,569	15,678,203,039	(768,267,237)	14,909,935,802

Notes to Financial Statements (continued)

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

16. Construction in progress (continued)

Construction in progress (continued)

The movements of important construction in progress for the six months ended 30 June 2021 are as follows:

Project name	Budget	At 1 January 2021	Additions	Transferred to fixed assets	Other reductions	At 30 June 2021	Contribution in budget	Progress of project	Balance of capitalised interest as at 30 June 2021	Including capitalised interest for the period	Interest rate of capitalisation (%)	Source of funds
Serbia Zijin Copper infrastructure project	5,210,301,933	2,724,267,748	1,465,898,686	(125,962,006)	-	4,064,204,428	74%	76%	51,885,243	34,801,282	3.70	Equity fund/Loan
Guizhou Zijin infrastructure project	399,139,589	89,431,302	23,419,038	-	-	112,850,340	28%	30%	-	-	Not applicable	Equity fund
Duoboshan Copper Industry infrastructure project	363,205,785	124,140,815	146,257,112	(111,984,201)	-	158,413,726	74%	71%	23,298,333	458,073	4.00	Equity fund/Loan
Guizhou Xinheji infrastructure project	440,000,000	389,564,472	1,394,920	-	-	390,959,392	86%	90%	125,996,221	-	Not applicable	Equity fund/Loan
COMMUS infrastructure project	176,463,002	32,818,318	143,224,182	(144,706,097)	-	31,336,403	94%	91%	-	-	Not applicable	Equity fund
Ankang Jinteng infrastructure project	370,000,000	287,636,772	2,550,835	-	-	290,187,607	90%	90%	93,811,156	195,429	5.00	Equity fund/Loan
Zijinstan Copper Mine infrastructure project	373,812,000	267,456,393	84,021,146	(49,282,517)	-	302,175,022	94%	91%	-	-	Not applicable	Equity fund
Yilan Gold Mine infrastructure project	139,931,806	41,887,463	9,266,597	(47,281,639)	-	3,872,411	37%	40%	-	-	Not applicable	Equity fund
Serbia Zijin Mining infrastructure project	3,081,000,000	892,149,125	639,605,847	(11,076,725)	-	1,520,678,247	79%	79%	63,683,388	29,949,885	4.77	Equity fund/Loan/Proceeds raised
Xinjiang Zijin Non-ferrous infrastructure project	152,843,765	58,212,008	84,055,961	(70,639,376)	-	71,628,593	93%	95%	-	-	Not applicable	Equity fund
Zijin Zinc infrastructure project	350,000,000	116,709,274	90,382,008	(7,995,782)	-	199,095,500	57%	60%	10,258,524	-	Not applicable	Equity fund/Loan
CARRILLU infrastructure project	170,000,000	144,039,912	25,400,899	(117,439,530)	-	52,001,281	99%	99%	5,153,804	3,070,635	5.00	Equity fund/Loan
Tongshan Mining infrastructure project	432,468,828	10,085,582	27,831,445	-	-	37,917,027	8%	12%	-	-	Not applicable	Proceeds raised
Julong Copper infrastructure project	16,791,000,000	7,489,210,150	1,698,791,834	-	-	9,188,001,984	71%	86%	247,854,318	124,849,106	3.00	Equity fund/Loan
Continental Gold infrastructure project	1,161,321,957	722,522,271	127,034,166	(259,361,912)	(15,975,494)	574,219,031	73%	70%	24,653,550	-	Not applicable	Equity fund
Norton infrastructure project	806,433,524	205,947,821	171,188,275	-	-	377,136,096	47%	60%	-	-	Not applicable	Equity fund
Others	5,259,962,880	2,082,143,613	1,122,546,261	(373,529,156)	(2,123,967)	2,829,036,751	-	-	14,326,324	11,238,657	Not applicable	Equity fund/Loan
Subtotal	35,679,885,069	15,678,203,039	5,862,869,202	(1,319,258,941)	(18,099,461)	20,203,715,839			660,920,861	204,563,267		
Impairment provision for construction in progress		(768,267,237)				(767,645,270)						
Total		14,909,935,802				19,436,070,569						

Notes to Financial Statements (continued)

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

16. Construction in progress (continued)

Construction in progress (continued)

The movements of important construction in progress for the year ended 31 December 2020 are as follows:

Project name	Budget	At 1 January 2020	Additions	Transferred to fixed assets	Other reductions	At 31 December 2020	Contribution in budget	Progress of project	Balance of capitalised interest as at 31 December 2020	Including capitalised interest for the year	Interest rate of capitalisation (%)	Source of funds
Seria Zijin Copper infrastructure project	5,058,440,960	558,949,642	2,591,710,019	(426,391,912)	-	2,724,267,749	48%	43%	17,083,961	17,083,961	3.70	Equity fund/loan
Guchou Zijin infrastructure project	609,685,200	517,717,303	106,301,006	(534,587,006)	-	89,431,303	100%	100%	9,347,244	9,347,244	4.57	Equity fund/loan
Duobaoshan Copper Industry infrastructure project	170,811,734	170,811,734	339,046,445	(667,408,656)	(18,308,730)	124,140,813	80%	76%	38,986,261	20,395,103	4.00	Equity fund/loan
Guzhou Xinheji infrastructure project	350,000,000	389,564,472	-	-	-	389,564,472	111%	96%	125,996,221	-	Not applicable	Equity fund/loan
COMCUS infrastructure project	159,772,567	10,282,314	22,526,004	-	-	32,818,318	21%	17%	-	-	Not applicable	Equity fund
Ankang Jinteng infrastructure project	370,000,000	281,360,585	6,276,187	-	-	287,636,772	90%	90%	93,615,727	5,862,748	5.00	Equity fund/loan
Zijinshan Copper Mine infrastructure project	644,071,000	299,291,094	164,220,588	(191,005,947)	(5,069,342)	267,436,393	42%	56%	-	-	Not applicable	Equity fund
Yifan Gold Mine infrastructure project	198,117,129	40,733,666	9,535,157	(8,381,359)	-	41,887,464	78%	78%	10,562,607	-	Not applicable	Equity fund/loan
Seria Zijin Mining infrastructure project	3,092,802,600	275,782,930	635,755,446	(19,389,251)	-	892,149,125	50%	66%	35,017,706	26,476,425	4.77	Equity fund/loan/ Equity fund/loan/ Proceeds raised
Xinjiang Zijin Non-ferrous infrastructure project	1,497,359,452	439,597,845	987,982,362	(1,369,388,199)	-	58,212,008	95%	95%	27,546,026	26,125,539	4.00	Equity fund/loan
Zijin Zinc infrastructure project	650,000,000	189,579,349	266,069,733	(338,939,808)	-	116,709,274	91%	95%	10,258,524	8,404,399	4.00	Equity fund/loan
CARRILLU infrastructure project	1,911,795,700	528,232,264	903,266,129	(1,287,458,481)	-	144,039,912	75%	90%	6,787,139	99,158,557	5.00	Equity fund/loan
Tongshan Mining infrastructure project	715,332,700	-	10,085,582	-	-	10,085,582	1%	1%	-	-	Not applicable	Equity fund/loan/ Proceeds raised
Julong Copper infrastructure project	15,068,066,900	-	7,618,497,438	(129,124,998)	(162,290)	7,489,210,150	85%	85%	123,005,212	123,005,212	2.00	Equity fund/loan
Continental Gold infrastructure project	3,958,621,282	-	3,954,909,179	(3,232,386,908)	-	722,522,271	100%	99%	46,467,882	46,467,882	3.77	Equity fund/loan
Norton infrastructure project	409,382,195	95,177,773	164,426,794	(53,656,746)	-	205,947,821	50%	50%	-	-	Not applicable	Equity fund
Others	4,483,952,299	2,256,087,914	1,453,987,453	(1,473,230,592)	(154,701,163)	2,082,143,612	Not applicable	Not applicable	18,090,399	5,559,036	Not applicable	Equity fund/loan
Subtotal	39,348,211,718	6,053,178,885	19,234,595,522	(9,431,329,843)	(178,241,525)	15,678,205,039			562,764,909	387,886,106		
Impairment provision for construction in progress		(773,921,045)			(788,267,237)							
Total		5,279,257,840			14,909,935,802							

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)***V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** *(continued)*16. Construction in progress *(continued)***Construction in progress** *(continued)*

Impairment provision for construction in progress:

30 June 2021

	At 1 January 2021	Additions	Write-off during the period	At 30 June 2021	Reasons for making provision
Luoyang Kunyu infrastructure project	5,005,874	–	–	5,005,874	No expected usable value in the future
Ankang Jinfeng infrastructure project	53,637,599	–	–	53,637,599	Expected recoverable amount less than carrying amount
Jinhao Iron infrastructure project	591,814,765	–	–	591,814,765	Expected recoverable amount less than carrying amount
Liancheng Zijin infrastructure project	64,276,926	–	–	64,276,926	Expected recoverable amount less than carrying amount
Shangri-La Huaxi infrastructure project	9,188,819	–	–	9,188,819	Expected recoverable amount less than carrying amount
Sichuan Jinkang infrastructure project	623,967	–	(623,967)	–	Construction in progress was disposed of in the period
Henan Jinda infrastructure project	43,719,287	–	–	43,719,287	Expected recoverable amount less than carrying amount
	768,267,237	–	(623,967)	767,643,270	

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

16. Construction in progress *(continued)*

Construction in progress *(continued)*

Impairment provision for construction in progress: *(continued)*

31 December 2020

	At 1 January 2020	Additions	Write-off during the year	At 31 December 2020	Reasons for making provision
Luoyang Kunyu infrastructure project	5,005,874	–	–	5,005,874	No expected usable value in the future
Ankang Jinfeng infrastructure project	53,637,599	–	–	53,637,599	Expected recoverable amount less than carrying amount
Jinhao Iron infrastructure project	591,814,765	–	–	591,814,765	Expected recoverable amount less than carrying amount
Wuping Zijin infrastructure project	5,653,808	–	(5,653,808)	–	The construction in progress of Wuping Zijin was disposed of in the year
Liancheng Zijin infrastructure project	64,276,926	–	–	64,276,926	Expected recoverable amount less than carrying amount
Shangri-La Huaxi infrastructure project	9,188,819	–	–	9,188,819	Expected recoverable amount less than carrying amount
Sichuan Jinkang infrastructure project	623,967	–	–	623,967	Expected recoverable amount less than carrying amount
Henan Jinda infrastructure project	43,719,287	–	–	43,719,287	Expected recoverable amount less than carrying amount
	773,921,045	–	(5,653,808)	768,267,237	

Notes to Financial Statements *(continued)*

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*16. Construction in progress *(continued)*

Construction materials

	30 June 2021			31 December 2020		
	Carrying amount	Impairment provision	Net book value	Carrying amount	Impairment provision	Net book value
Dedicated materials	349,143,100	–	349,143,100	322,806,245	–	322,806,245
Dedicated equipment	26,981,543	(1,797,044)	25,184,499	5,084,579	(1,797,044)	3,287,535
	376,124,643	(1,797,044)	374,327,599	327,890,824	(1,797,044)	326,093,780

Impairment provision for construction materials:

30 June 2021

	At 1 January 2021	Additions	Reductions	At 30 June 2021
Dedicated equipment	1,797,044	–	–	1,797,044

31 December 2020

	At 1 January 2020	Additions	Reductions	At 31 December 2020
Dedicated equipment	1,797,044	–	–	1,797,044

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

17. Right-of-use assets

30 June 2021

	Buildings	Power generation and transmission equipment	Plant, machinery and equipment	Motor vehicles	Furniture and fixtures and others	Total
Cost						
At 1 January 2021	44,524,910	266,334,938	66,297,565	75,666,812	7,879,773	460,703,998
Additions	747,605	–	31,361,828	17,836,107	–	49,945,540
Reductions	(7,567,274)	–	–	(13,481,419)	–	(21,048,693)
Exchange realignments	(307,117)	(2,645,001)	–	(470,955)	(32,807)	(3,455,880)
At 30 June 2021	37,398,124	263,689,937	97,659,393	79,550,545	7,846,966	486,144,965
Accumulated depreciation						
At 1 January 2021	23,440,753	77,098,149	57,141,714	59,005,774	5,762,299	222,448,689
Depreciation for the period	6,128,574	18,445,225	6,620,080	14,255,767	262,939	45,712,585
Reductions	(3,109,729)	–	–	(6,386,944)	–	(9,496,673)
Exchange realignments	(171,025)	(507,992)	–	(410,412)	(11,778)	(1,101,207)
At 30 June 2021	26,288,573	95,035,382	63,761,794	66,464,185	6,013,460	257,563,394
Impairment provision						
At 1 January 2021	–	–	–	–	–	–
Impairment provided for the period	–	–	–	–	–	–
At 30 June 2021	–	–	–	–	–	–
Net book value						
At 30 June 2021	11,109,551	168,654,555	33,897,599	13,086,360	1,833,506	228,581,571
At 1 January 2021	21,084,157	189,236,789	9,155,851	16,661,038	2,117,474	238,255,309

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)***V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** *(continued)***17. Right-of-use assets** *(continued)*

31 December 2020

	Buildings	Power generation and transmission equipment	Plant, machinery and equipment	Motor vehicles	Furniture and fixtures and others	Total
Cost						
At 1 January 2020	36,380,590	284,756,210	65,237,626	58,739,367	7,879,773	452,993,566
Business combination not involving enterprises under common control	13,341,044	–	–	–	–	13,341,044
Additions	–	–	1,059,939	16,927,445	–	17,987,384
Reductions	(4,422,667)	–	–	–	–	(4,422,667)
Exchange realignments	(774,057)	(18,421,272)	–	–	–	(19,195,329)
At 31 December 2020	44,524,910	266,334,938	66,297,565	75,666,812	7,879,773	460,703,998
Accumulated depreciation						
At 1 January 2020	9,949,743	39,837,651	30,655,806	12,843,607	4,934,378	98,221,185
Depreciation for the year	17,006,577	39,024,549	26,485,908	46,162,167	827,921	129,507,122
Reductions	(2,896,956)	–	–	–	–	(2,896,956)
Exchange realignments	(618,611)	(1,764,051)	–	–	–	(2,382,662)
At 31 December 2020	23,440,753	77,098,149	57,141,714	59,005,774	5,762,299	222,448,689
Impairment provision						
At 1 January 2020	–	–	–	–	–	–
Impairment provided for the year	–	–	–	–	–	–
At 31 December 2020	–	–	–	–	–	–
Net book value						
At 31 December 2020	21,084,157	189,236,789	9,155,851	16,661,038	2,117,474	238,255,309
At 1 January 2020	26,430,847	244,918,559	34,581,820	45,895,760	2,945,395	354,772,381

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

18. Intangible assets

30 June 2021

	Exploration and mining rights	Land use rights	Membership of Shanghai Gold Exchange and others	Total
Cost				
At 1 January 2021	49,992,207,304	3,880,744,153	367,931,753	54,240,883,210
Purchases	549,330,418	1,792,788,292	15,559,107	2,357,677,817
Disposals or write-off	(96,415,821)	–	(938,541)	(97,354,362)
Exchange realignments	(24,538,023)	(316,391)	(5,204,146)	(30,058,560)
Other reductions	(40,685,794)	–	–	(40,685,794)
At 30 June 2021	50,379,898,084	5,673,216,054	377,348,173	56,430,462,311
Accumulated amortisation				
At 1 January 2021	5,322,536,910	628,967,447	125,088,459	6,076,592,816
Amortisation provided for the period	681,766,874	86,806,058	16,043,472	784,616,404
Disposals or write-off	(18,345,937)	–	(598,085)	(18,944,022)
Exchange realignments	(9,427,949)	(103,260)	(110,859)	(9,642,068)
At 30 June 2021	5,976,529,898	715,670,245	140,422,987	6,832,623,130
Impairment provision				
At 1 January 2021	1,326,719,816	–	77,326,596	1,404,046,412
Disposals or write-off	(76,758,563)	–	–	(76,758,563)
At 30 June 2021	1,249,961,253	–	77,326,596	1,327,287,849
Net book value				
At 30 June 2021	43,153,406,933	4,957,545,809	159,598,590	48,270,551,332
At 1 January 2021	43,342,950,578	3,251,776,706	165,516,698	46,760,243,982

Notes to Financial Statements *(continued)*

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*18. Intangible assets *(continued)*

31 December 2020

	Exploration and mining rights	Land use rights	Membership of Shanghai Gold Exchange and others	Total
Cost				
At 1 January 2020	27,752,072,678	2,374,252,790	251,361,908	30,377,687,376
Purchases	432,052,846	1,524,671,399	93,638,634	2,050,362,879
Business combination not involving enterprises under common control	23,430,126,056	13,266,700	25,702,694	23,469,095,450
Disposals or write-off	(79,386,759)	(2,712,224)	(136,789)	(82,235,772)
Exchange realignments	(1,504,025,917)	(24,638,512)	(2,634,694)	(1,531,299,123)
Other reductions	(38,631,600)	(4,096,000)	–	(42,727,600)
At 31 December 2020	49,992,207,304	3,880,744,153	367,931,753	54,240,883,210
Accumulated amortisation				
At 1 January 2020	4,227,764,602	500,071,892	93,612,090	4,821,448,584
Amortisation provided for the year	1,227,808,249	131,051,687	32,386,047	1,391,245,983
Disposals or write-off	(25,516,169)	(379,371)	(131,326)	(26,026,866)
Exchange realignments	(104,240,063)	(1,456,178)	(778,352)	(106,474,593)
Other reductions	(3,279,709)	(320,583)	–	(3,600,292)
At 31 December 2020	5,322,536,910	628,967,447	125,088,459	6,076,592,816
Impairment provision				
At 1 January 2020	1,316,403,735	–	77,326,596	1,393,730,331
Impairment provided for the year (Note 1)	10,316,081	–	–	10,316,081
At 31 December 2020	1,326,719,816	–	77,326,596	1,404,046,412
Net book value				
At 31 December 2020	43,342,950,578	3,251,776,706	165,516,698	46,760,243,982
At 1 January 2020	22,207,904,341	1,874,180,898	80,423,222	24,162,508,461

Note 1: In 2020, the Group had provided impairment of RMB10,316,081 for the mining rights of Xinyi Zijin Mining Co., Ltd. ("Xinyi Zijin"), a subsidiary of the Group, since there were indications of impairment.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

18. Intangible assets *(continued)*

As at 30 June 2021, the Group's intangible assets with a carrying amount of RMB9,598,055,501 (31 December 2020: RMB13,516,845,568) were subject to restrictions on title or use. Please refer to Note V.66 for details.

Intangible assets of which certificates of title have not been obtained as at 30 June 2021 are as follows:

	Net book value	Reason why certificates of title have not been obtained
1,081 hectares of land use rights of Duobaoshan Copper Industry (phase I) (expansion of western side of open-pit mine, dump, tailings pool with level-four sub-dam, etc.)	761,407,000	In the process of application
972 hectares of land use rights of Duobaoshan Copper Industry (phase II) (mining plant, processing plant, dump, tailings pool, etc.)	1,240,990,032	In the process of application
Land use rights of Ashele Copper's new tailings pool	83,552,812	In the process of application
Land use rights of Ashele Copper's 1,200 tonnes of copper selection from zinc tailings	1,162,001	In the process of application
Land use rights of Ashele Copper's new employee dormitory (No. 9)	314,447	In the process of application
Land use rights of Urad Rear Banner Zijin (Sanguikou processing plant and office, tailings pool, slag dump)	57,300,826	In the process of application
Land block for the new office building of the Company's headquarters and Zijin community	12,387,157	In the process of application
Transfer of the state-owned construction land use right of West Copper	13,018,368	In the process of application
Land for Zijin International Holdings' Sanya International Centre	1,062,002,160	In the process of application

Intangible assets of which certificates of title have not been obtained as at 31 December 2020 are as follows:

	Net book value	Reason why certificates of title have not been obtained
1,081 hectares of land use rights of Duobaoshan Copper Industry (phase I) (expansion of western side of open-pit mine, dump, tailings pool with level-four sub-dam, etc.)	777,448,008	In the process of application
972 hectares of land use rights of Duobaoshan Copper Industry (phase II) (mining plant, processing plant, dump, tailings pool, etc.)	1,146,702,524	In the process of application
Land use rights of Ashele Copper's new tailings pool	88,893,329	In the process of application
Land use rights of Ashele Copper's 1,200 tonnes of copper selection from zinc tailings	1,225,965	In the process of application
Land use rights of Ashele Copper's new employee dormitory (No. 9)	331,600	In the process of application
Land use rights of Urad Rear Banner Zijin (Sanguikou processing plant and office, tailings pool, slag dump)	64,931,972	In the process of application
Land block for the new office building of the Company's headquarters and Zijin community	12,572,040	In the process of application
Transfer of the state-owned construction land use right of West Copper	17,129,432	In the process of application

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19. Goodwill

30 June 2021

	At 1 January 2021	Additions	Reductions	At 30 June 2021
Ashele Copper	12,906,890	-	-	12,906,890
Qinghai West Copper Co., Ltd. ("West Copper")	455,874	-	-	455,874
Hunchun Zijin	71,099,520	-	-	71,099,520
Yunnan Huaxi Mineral Resources Co., Ltd. ("Yunnan Huaxi")	33,161,050	-	-	33,161,050
Zijin Mining Group (Xiamen) Investment Co., Ltd. ("Xiamen Investment")	1,241,101	-	-	1,241,101
Shanxi Zijin Mining Co., Ltd. ("Shanxi Zijin")	2,503,610	-	-	2,503,610
Xinyi Zijin	44,319,632	-	-	44,319,632
Norton Gold Fields Pty Limited ("Norton")	157,778,981	-	-	157,778,981
Urad Rear Banner Zijin	119,097,944	-	-	119,097,944
Bayannur Zijin Non-ferrous Metals Co., Ltd. ("Bayannur Zijin")	14,531,538	-	-	14,531,538
Zijin Copper Co., Ltd. ("Zijin Copper")	4,340,000	-	-	4,340,000
Fujian Shanghang Jinshan Hydropower Co., Ltd. ("Jinshan Hydropower")	79,642,197	-	-	79,642,197
Beijing Anchuang Management Consulting Co., Ltd. ("Beijing Anchuang")	8,330,914	-	-	8,330,914
	549,409,251	-	-	549,409,251
Provision for impairment of goodwill	(235,259,663)	-	-	(235,259,663)
	314,149,588	-	-	314,149,588

31 December 2020

	At 1 January 2020	Additions	Reductions	At 31 December 2020
Ashele Copper	12,906,890	-	-	12,906,890
West Copper	455,874	-	-	455,874
Hunchun Zijin	71,099,520	-	-	71,099,520
Yunnan Huaxi	33,161,050	-	-	33,161,050
Xiamen Investment	1,241,101	-	-	1,241,101
Shanxi Zijin	2,503,610	-	-	2,503,610
Xinyi Zijin	44,319,632	-	-	44,319,632
Norton	157,778,981	-	-	157,778,981
Urad Rear Banner Zijin	119,097,944	-	-	119,097,944
Bayannur Zijin	14,531,538	-	-	14,531,538
Zijin Copper	4,340,000	-	-	4,340,000
Jinshan Hydropower	79,642,197	-	-	79,642,197
Beijing Anchuang	8,330,914	-	-	8,330,914
	549,409,251	-	-	549,409,251
Provision for impairment of goodwill	(235,259,663)	-	-	(235,259,663)
	314,149,588	-	-	314,149,588

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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

19. Goodwill *(continued)*

The movements of impairment provision for goodwill are as follows:

30 June 2021

	At 1 January 2021	Additions	Reductions	At 30 June 2021
		Provision	Disposal	
Norton	157,778,981	-	-	157,778,981
Xinyi Zijin	44,319,632	-	-	44,319,632
Yunnan Huaxi	33,161,050	-	-	33,161,050
	235,259,663	-	-	235,259,663

31 December 2020

	At 1 January 2020	Additions	Reductions	At 31 December 2020
		Provision	Disposal	
Norton	157,778,981	-	-	157,778,981
Xinyi Zijin	44,319,632	-	-	44,319,632
Yunnan Huaxi	33,161,050	-	-	33,161,050
	235,259,663	-	-	235,259,663

Goodwill arising from business combinations has been allocated to the following asset groups or sets of asset groups for the impairment test:

- Refining asset group
- Mining asset group
- Hydropower asset group
- Other asset group

Refining asset group

Goodwill of the refining asset group was formed by the acquisitions of Zijin Copper and Bayannur Zijin, which was consistent with the sets of asset groups as determined on the acquisition dates. The original book value of goodwill of the refining asset group as at 30 June 2021 was RMB18,871,538 (31 December 2020: RMB18,871,538). The recoverable amount is determined by the present value of the expected future cash flows, which is based on the cash flow forecasts of the management's five-year rolling plan. The pre-tax discount rate used for the cash flow forecast is 15%.

Notes to Financial Statements *(continued)*

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*19. Goodwill *(continued)***Mining asset group**

Goodwill of the mining asset group was formed by the acquisitions of Ashele Copper, West Copper, Hunchun Zijin, Shanxi Zijin and Urad Rear Banner Zijin, which was consistent with the sets of asset groups as determined on the acquisition dates. As at 30 June 2021, the original book value of goodwill of the mining asset group was RMB441,323,501 (31 December 2020: RMB441,323,501). The recoverable amount is determined by the present value of the expected future cash flows, which is based on the cash flow forecasts of the management's five-year rolling plan and mine production lifecycle or the pre-feasibility reports. The pre-tax discount rate used for the cash flow forecast is 15% to 18%.

Hydropower asset group

Goodwill of the hydropower asset group was formed by the acquisition of Jinshan Hydropower. As at 30 June 2021, the original book value of the goodwill was RMB79,642,197 (31 December 2020: RMB79,642,197). The recoverable amount is determined by the present value of the expected future cash flows, based on the cash flow forecasts of the budget and feasibility study reports. The pre-tax discount rate used for the cash flow forecast is 12%.

Other asset group

Goodwill of the other asset group was formed by the acquisitions of Xiamen Investment and Beijing Anchuang. As at 30 June 2021, the book value of the goodwill was RMB9,572,015 (31 December 2020: RMB9,572,015). The pre-tax discount rate used for the cash flow forecast is 15%.

	Refining asset group		Mining asset group		Hydropower asset group		Other asset group		Total	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020
Carrying amount of goodwill	18,871,538	18,871,538	441,323,501	441,323,501	79,642,197	79,642,197	9,572,015	9,572,015	549,409,251	549,409,251
Impairment provision	-	-	(235,259,663)	(235,259,663)	-	-	-	-	(235,259,663)	(235,259,663)
Net book value of goodwill	18,871,538	18,871,538	206,063,838	206,063,838	79,642,197	79,642,197	9,572,015	9,572,015	314,149,588	314,149,588

The following illustrates the key assumptions made by the management in determining cash flow forecasts for the goodwill impairment test:

Budgeted gross profit margin The basis for determination is the average gross profit margin achieved in the year immediately before the budget year, which is appropriately adjusted according to the expected raise of production efficiency variance.

Discount rates The discount rates used are the discount rates before tax which reflect the specific risks of related asset group or portfolio of asset groups.

The amount allocated to the above asset groups or portfolio of asset groups is consistent with the historical experience and external information of the Group.

As at 30 June 2021, the Group had made full impairment provisions for goodwill of RMB44,319,632, RMB33,161,050 and RMB157,778,981 for Xinyi Zijin, Yunnan Huaxi and Norton, respectively.

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

20. Long-term deferred assets

30 June 2021

	At 1 January 2021	Additions	Amortisation	Other reductions	At 30 June 2021
Land compensation costs (Note 1)	203,203,841	735,785	(4,222,645)	–	199,716,981
Mining shaft development expenditure	306,292,264	90,134,593	(42,542,721)	–	353,884,136
Amortisation costs of bipolar plates	321,128,460	13,592,833	(16,555,798)	–	318,165,495
Forest compensation expenditure	95,712,867	13,237,853	(14,867,055)	–	94,083,665
Others (Note 2)	375,569,202	210,284,191	(155,466,456)	–	430,386,937
	1,301,906,634	327,985,255	(233,654,675)	–	1,396,237,214

31 December 2020

	At 1 January 2020	Additions	Amortisation	Other reductions	At 31 December 2020
Land compensation costs (Note 1)	177,845,759	47,412,524	(22,054,442)	–	203,203,841
Mining shaft development expenditure	196,220,957	183,059,049	(69,371,894)	(3,615,848)	306,292,264
Amortisation costs of bipolar plates	212,519,384	125,509,543	(16,900,467)	–	321,128,460
Forest compensation expenditure	108,564,860	22,190,344	(35,042,337)	–	95,712,867
Others (Note 2)	510,686,986	217,169,113	(343,993,906)	(8,292,991)	375,569,202
	1,205,837,946	595,340,573	(487,363,046)	(11,908,839)	1,301,906,634

Note 1: The land compensation costs are related to the compensation for the occupation of forest land at the mining sites for production and construction needs. The amortisation period ranges from 5 to 50 years.

Note 2: As at 30 June 2021, other long-term deferred assets mainly included highway tolls of RMB22,353,597 (31 December 2020: RMB10,731,787); reconstruction costs of power supply lines of RMB11,238,581 (31 December 2020: RMB12,861,880); exploration expenditures of RMB20,748,146 (31 December 2020: RMB25,343,910); fixed asset improvement expenditures of RMB49,978,048 (31 December 2020: RMB52,096,337); enterprise resource planning system implementation fees of RMB34,888,098 (31 December 2020: RMB40,680,551); plant improvement expenditures of RMB41,587,800 (31 December 2020: RMB46,358,562), etc. Other long-term deferred assets are amortised in accordance with their useful lives.

Notes to Financial Statements *(continued)*

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

21. Deferred tax assets/liabilities

Deferred tax assets and deferred tax liabilities before offsetting:

	30 June 2021		31 December 2020	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Deferred tax assets				
Provision for impairment of assets	531,401,017	119,700,264	474,214,540	107,398,421
Elimination of unrealised profit arising from intra-group transactions	2,211,273,251	446,757,936	1,738,605,875	358,809,714
Deductible losses (Note 1)	2,063,480,338	505,434,354	2,891,857,585	659,636,692
Differences in depreciation policies	966,786,895	144,723,102	963,938,537	145,400,436
Changes in the fair value of equity instrument investments not held for trading	161,611,005	25,567,308	105,743,978	16,388,203
Changes in the fair value of held for trading financial assets	113,169,997	21,674,068	42,501,568	10,625,392
Expenses accrued but not yet paid and others	848,334,409	208,961,438	795,013,662	211,326,449
	6,896,056,912	1,472,818,470	7,011,875,745	1,509,585,307

Note 1: As at 30 June 2021, deferred tax assets generated from the above deductible losses were recognised to the extent that it was probable that taxable profits would be available against which the deductible tax losses can be utilised.

	30 June 2021		31 December 2020	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Deferred tax liabilities				
Fair value adjustments arising from business combination not involving enterprises under common control	26,812,178,643	5,850,901,403	27,450,116,559	5,990,729,344
Changes in the fair value of held for trading financial assets	593,052,885	95,127,614	447,077,226	73,439,872
Changes in the fair value of equity instrument investments not held for trading	142,004,060	28,511,642	71,708,491	16,980,680
Differences in amortisation policies for stripping costs	2,490,163,769	739,746,705	2,510,435,698	789,327,838
	30,037,399,357	6,714,287,364	30,479,337,974	6,870,477,734

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

21. Deferred tax assets/liabilities *(continued)*

Deferred tax assets and liabilities are shown in the net amount after offsetting:

	30 June 2021		31 December 2020	
	Offset amount	Closing balance after offsetting	Offset amount	Closing balance after offsetting
Deferred tax assets	253,824,896	1,218,993,574	326,601,363	1,182,983,944
Deferred tax liabilities	253,824,896	6,460,462,468	326,601,363	6,543,876,371

Deductible temporary differences and deductible tax losses for which deferred tax assets are not recognised are as follows:

	30 June 2021	31 December 2020
Deductible temporary differences	5,268,486,526	4,810,985,395
Deductible tax losses	4,388,437,423	3,865,748,298
	9,656,923,949	8,676,733,693

Deductible tax losses of unrecognised deferred tax assets will expire in the following years:

	30 June 2021	31 December 2020
2021	451,235,758	453,629,301
2022	247,649,488	247,858,892
2023	396,128,573	447,236,720
2024	445,762,530	547,397,483
2025	1,069,764,466	1,221,043,377
2026 and the following years	1,777,896,608	948,582,525
	4,388,437,423	3,865,748,298

The accumulated deductible losses of RMB296,558,450 (2020: RMB276,874,205) incurred by the Group's subsidiaries in Hong Kong, South Africa, Australia and Russia can be deducted indefinitely; the accumulated deductible losses incurred by the Group's subsidiaries in the PRC, Serbia and the DR Congo of RMB3,189,783,858 (2020: RMB2,749,280,142) can be deducted within five consecutive years from the year in which they were incurred; the accumulated deductible losses incurred by PRC subsidiaries of RMB438,601,416 (2020: RMB737,498,783) can be deducted within ten consecutive years from the year in which they were incurred; the accumulated deductible losses incurred by the Group's subsidiaries in Papua New Guinea of RMB339,907,583 (2020: RMB102,095,168) can be deducted within seven consecutive years; the accumulated deductible losses incurred by the Group's subsidiaries in Canada were RMB53,162,907 (2020: Nil), among which, capital losses can be deducted within ten consecutive years from the year in which they were incurred; those of revenue in nature can be deducted within twenty consecutive years from the year in which they were incurred; the accumulated deductible losses incurred by the Group's subsidiaries in Colombia of RMB70,423,209 (2020: Nil) can be deducted within twelve consecutive years.

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22. Other non-current assets

	30 June 2021	31 December 2020
Long-term receivables	9,546,291,425	8,496,225,681
Exploration and development costs	3,147,752,376	3,047,647,244
Prepayments for land use rights	1,267,252,269	1,434,063,125
Prepayments for fixed assets and constructions	1,800,523,698	1,321,465,455
VAT credits expected not to be utilised within one year	879,174,978	870,751,183
Inventories expected not to be processed within one year	249,225,982	290,798,919
Others	78,078,928	51,546,492
	16,968,299,656	15,512,498,099
Including: Current portion of long-term receivables (Note V.8)	(16,300,343)	(40,255,087)
	16,951,999,313	15,472,243,012

The movements of impairment provision for other non-current assets are as follows:

30 June 2021

	At 1 January 2021	Provision	Recovery or reversal	Write-off during the period	At 30 June 2021
Long-term receivables	154,022,570	-	-	-	154,022,570
Exploration and development costs	34,881,717	-	-	-	34,881,717
Inventories expected not to be processed within one year	42,389,163	-	-	-	42,389,163
Prepaid investment costs	252,423,299	-	-	-	252,423,299
Others	17,516,917	-	-	-	17,516,917
Total	501,233,666	-	-	-	501,233,666

31 December 2020

	At 1 January 2020	Provision	Recovery or reversal	Write-off during the year	At 31 December 2020
Long-term receivables	153,203,515	819,055	-	-	154,022,570
Exploration and development costs	33,351,922	1,529,795	-	-	34,881,717
Inventories expected not to be processed within one year	42,389,163	-	-	-	42,389,163
Prepaid investment costs	252,423,299	-	-	-	252,423,299
Others	17,516,917	-	-	-	17,516,917
Total	498,884,816	2,348,850	-	-	501,233,666

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

22. Other non-current assets *(continued)*

The changes in bad debt provision for long-term receivables based on 12-month expected credit losses and the entire lifetime expected credit losses are as follows:

30 June 2021

	Stage 1 12-month expected credit losses	Stage 2 Entire lifetime expected credit losses	Stage 3 Financial assets with credit impairment occurred (entire lifetime)	Total
At 1 January	819,055	–	153,203,515	154,022,570
Balance at 1 January during the period	–	–	–	–
- Transferred to Stage 2	–	–	–	–
- Transferred to Stage 3	–	–	–	–
- Reversed to Stage 2	–	–	–	–
- Reversed to Stage 1	–	–	–	–
Provision during the period	–	–	–	–
Reversal during the period	–	–	–	–
Write-back during the period	–	–	–	–
Write-off during the period	–	–	–	–
Other changes	–	–	–	–
	819,055	–	153,203,515	154,022,570

31 December 2020

	Stage 1 12-month expected credit losses	Stage 2 Entire lifetime expected credit losses	Stage 3 Financial assets with credit impairment occurred (entire lifetime)	Total
At 1 January	–	–	153,203,515	153,203,515
Balance at 1 January during the year	–	–	–	–
- Transferred to Stage 2	–	–	–	–
- Transferred to Stage 3	–	–	–	–
- Reversed to Stage 2	–	–	–	–
- Reversed to Stage 1	–	–	–	–
Provision during the year	819,055	–	–	819,055
Reversal during the year	–	–	–	–
Write-back during the year	–	–	–	–
Write-off during the year	–	–	–	–
Other changes	–	–	–	–
	819,055	–	153,203,515	154,022,570

As at 30 June 2021 and 31 December 2020, there were no other non-current assets with restrictions on use.

Notes to Financial Statements *(continued)*

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

23. Short-term borrowings

	30 June 2021	31 December 2020
Unsecured and non-guaranteed loans	7,575,449,448	7,545,834,324
Pledged loans	290,704,435	–
Gold leasing (Note 1)	12,063,275,284	11,813,940,074
Bills receivable discounted	597,600,000	1,359,346,756
	20,527,029,167	20,719,121,154

On 23 June 2021, Gold Mountains (H.K.), a subsidiary of the Group, used the certificates of deposit as securities to obtain an import bill financing of USD45,000,000 (equivalent to RMB290,704,435) from the Agricultural Bank of China Shanghang Sub-branch which will mature on 9 December 2021. As at 30 June 2021, the outstanding balance of the abovementioned pledged loans was RMB290,704,435. The Group did not have any pledged loan as at 31 December 2020.

As at 30 June 2021, the interest rates of the above borrowings ranged from 0.33% to 3.85% per annum (31 December 2020: from 0.52% to 4.35% per annum)

As at 30 June 2021 and 31 December 2020, there were no short-term borrowings of the Group that were overdue but not yet repaid.

Note 1: For gold leasing, the Group entered into forward contracts with the same quantity, specification and maturity with the same gold leasing banks, and agreed that on maturity of the leases, the Group would purchase gold from those gold leasing banks with the same quantity and specification at specific prices denominated in Renminbi to return the leased gold. The Group considered that under such gold leasing business model, the banks entirely bore the risk of gold price fluctuation during the gold leasing period. The Group only bore the agreed gold leasing fee and the related handling fee. Therefore, the Group included the leased gold in short-term borrowings.

24. Held for trading financial liabilities

	30 June 2021	31 December 2020
Financial liabilities at fair value through profit or loss		
Gold leasing (Note 1)	363,563,000	196,350,000
Derivative financial liabilities (Note 2)	146,741,355	451,158,441
	510,304,355	647,508,441

Note 1: The Group financed through leasing gold from banks and subsequently sold the gold through the Shanghai Gold Exchange. On maturity of the leases, the Group would return the gold to gold leasing banks with the same quantity and specification purchased through the Shanghai Gold Exchange, and pay the agreed leasing fees. The maturity period of gold leasing was within one year (one year inclusive). As at 30 June 2021, the cost of these financial liabilities was RMB384,714,843, and the changes in fair value were RMB21,151,843. Besides, other items of gold leasing of the Group have been classified as short-term borrowings. Please refer to Note V.23 for details.

Note 2: Details of derivative financial liabilities are as follows:

	30 June 2021	31 December 2020
(1) Derivative financial liabilities without designated hedging relationship	50,214,732	76,368,530
Including: Forward contracts	27,276,809	60,179,706
Foreign currency forward contracts	405,301	52,228
Futures contracts	22,532,622	16,136,596
(2) Hedging instruments - Forward contracts	96,526,623	374,789,911
	146,741,355	451,158,441

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

25. Bills payable

	30 June 2021	31 December 2020
Bank acceptance bills	417,422,900	772,070,659
Commercial acceptance bills	100,000,000	183,490,397
	517,422,900	955,561,056

As at 30 June 2021, there were no bills payable of the Group that were overdue but not yet repaid (31 December 2020: Nil).

26. Trade payables

	30 June 2021	31 December 2020
Trade payables	4,639,528,460	5,542,998,831

As at 30 June 2021, an ageing analysis of the trade payables, based on the invoice dates, is as follows:

	30 June 2021	31 December 2020
Within 1 year	4,049,237,021	4,951,011,177
Over 1 year but within 2 years	301,920,479	302,794,376
Over 2 years but within 3 years	119,313,619	149,500,189
Over 3 years	169,057,341	139,693,089
	4,639,528,460	5,542,998,831

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)***V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** *(continued)***26. Trade payables** *(continued)*

As at 30 June 2021, the significant balances of trade payables aged more than one year are as follows:

	Balance	Reason for not being settled
Wenzhou Mine Workings Co., Ltd.	26,548,481	Construction payments not yet settled
Zhejiang Xinwang Mine Engineering Co., Ltd.	23,901,011	Construction payments not yet settled
China Gezhouba Group Explosive Co., Ltd. Maizhokunggar Branch	23,403,902	Construction payments not yet settled
Zhejiang Jianhui Mine Construction Co., Ltd.	16,082,521	Construction payments not yet settled
	89,935,915	

As at 31 December 2020, the significant balances of trade payables aged more than one year are as follows:

	Balance	Reason for not being settled
Zhejiang Xinwang Mine Engineering Co., Ltd.	18,689,112	Construction payments not yet settled
Zhejiang Jianhui Mine Construction Co., Ltd.	13,132,972	Construction payments not yet settled
China National Chemical Engineering Fourth Construction Co., Ltd.	11,097,889	Construction payments not yet settled
	42,919,973	

27. Contract liabilities

	30 June 2021	31 December 2020
Advances from sales of goods	832,849,899	452,695,891
	832,849,899	452,695,891

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

28. Employee benefits payable

30 June 2021

	At 1 January 2021	Additions	Reductions	At 30 June 2021
Short-term employee benefits	1,274,701,979	2,848,716,217	(3,372,659,861)	750,758,335
Post-employment benefit plan (defined contribution plan)	42,453,599	480,439,726	(370,606,698)	152,286,627
Termination benefits	311,584	12,446,468	(12,755,029)	3,023
	1,317,467,162	3,341,602,411	(3,756,021,588)	903,047,985

31 December 2020

	At 1 January 2020	Additions	Reductions	At 31 December 2020
Short-term employee benefits	823,037,782	4,246,264,237	(3,794,600,040)	1,274,701,979
Post-employment benefit plan (defined contribution plan)	28,663,964	151,777,015	(137,987,380)	42,453,599
Termination benefits	596,188	25,945,992	(26,230,596)	311,584
	852,297,934	4,423,987,244	(3,958,818,016)	1,317,467,162

Short-term employee benefits are as follows:

30 June 2021

	At 1 January 2021	Additions	Reductions	At 30 June 2021
Wages or salaries, bonuses, allowances and subsidies	911,575,080	2,364,226,878	(2,871,793,911)	404,008,047
Staff welfare	233,229,722	248,248,118	(237,047,785)	244,430,055
Social security contributions	6,576,547	77,242,106	(77,693,477)	6,125,176
<i>Including: Medical insurance</i>	4,850,052	60,996,709	(61,163,622)	4,683,139
<i>Work-related injury insurance</i>	1,653,309	14,126,473	(14,391,847)	1,387,935
<i>Maternity insurance</i>	73,186	2,118,924	(2,138,008)	54,102
Housing provident fund	2,579,494	79,693,033	(80,826,191)	1,446,336
Union running costs and employee education costs	44,604,483	43,491,679	(36,144,200)	51,951,962
Short-term compensated leave	2,575,074	13,935,233	(13,522,911)	2,987,396
Short-term profit-sharing plan (Note 1)	73,561,579	21,879,170	(55,631,386)	39,809,363
	1,274,701,979	2,848,716,217	(3,372,659,861)	750,758,335

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*28. Employee benefits payable *(continued)*

Short-term employee benefits are as follows: (continued)

31 December 2020

	At 1 January 2020	Additions	Reductions	At 31 December 2020
Wages or salaries, bonuses, allowances and subsidies	645,232,261	3,432,143,661	(3,165,800,842)	911,575,080
Staff welfare	124,589,139	386,301,858	(277,661,275)	233,229,722
Social security contributions	508,165	102,071,740	(96,003,358)	6,576,547
<i>Including: Medical insurance</i>	<i>(74,214)</i>	<i>82,232,600</i>	<i>(77,308,334)</i>	<i>4,850,052</i>
<i>Work-related injury insurance</i>	<i>538,857</i>	<i>16,117,573</i>	<i>(15,003,121)</i>	<i>1,653,309</i>
<i>Maternity insurance</i>	<i>43,522</i>	<i>3,721,567</i>	<i>(3,691,903)</i>	<i>73,186</i>
Housing provident fund	2,408,674	147,641,895	(147,471,075)	2,579,494
Union running costs and employee education costs	28,837,275	95,493,977	(79,726,769)	44,604,483
Short-term compensated leave	(2,639,333)	22,001,997	(16,787,590)	2,575,074
Short-term profit-sharing plan (Note 1)	24,101,601	60,609,109	(11,149,131)	73,561,579
	823,037,782	4,246,264,237	(3,794,600,040)	1,274,701,979

Note 1: The short-term profit-sharing plan was determined by remuneration assessment and completion of the Group's performance for the year.

Details of the defined contribution plan are as follows:

30 June 2021

	At 1 January 2021	Additions	Reductions	At 30 June 2021
Basic pension insurance	35,673,336	243,549,818	(240,307,981)	38,915,173
Unemployment insurance	6,780,263	64,324,660	(66,707,241)	4,397,682
Enterprise annuity payments	–	172,565,248	(63,591,476)	108,973,772
	42,453,599	480,439,726	(370,606,698)	152,286,627

31 December 2020

	At 1 January 2020	Additions	Reductions	At 31 December 2020
Basic pension insurance	27,923,008	142,285,994	(134,535,666)	35,673,336
Unemployment insurance	740,956	9,491,021	(3,451,714)	6,780,263
	28,663,964	151,777,015	(137,987,380)	42,453,599

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

29. Taxes payable

	30 June 2021	31 December 2020
Corporate income tax	1,928,225,729	1,166,543,294
Value-added tax	377,174,977	163,211,818
Resource compensation fee	187,363,825	120,769,049
Resource tax	300,523,291	305,333,197
Others	240,468,393	124,434,354
	3,033,756,215	1,880,291,712

30. Other payables

	30 June 2021	31 December 2020
Dividends payable	3,164,641,786	4,928,328
Other payables	7,547,059,118	7,366,475,336
	10,711,700,904	7,371,403,664

Dividends payable

	30 June 2021	31 December 2020
Gansu Jiuzhou Exploration Mining Co., Ltd.	4,734,000	4,734,000
Luoning County Funiu Mining Development Centre	180,000	180,000
A Shares held by the public	2,470,879,469	–
H Shares held by the public	688,432,800	–
Others	415,517	14,328
	3,164,641,786	4,928,328

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*30. Other payables *(continued)*

Other payables

	30 June 2021	31 December 2020
Payables for construction work and equipment	3,942,101,231	3,748,861,275
Amounts due to third parties	710,555,474	1,119,449,612
Due to non-controlling shareholders	778,334,927	765,693,404
Deposits	293,523,098	223,589,115
Payables to Freeport-McMoRan Exploration Corporation ("FMEC") (Note V.36)	403,756,160	326,244,902
Repurchase obligations relating to restricted A Shares (Note V.43)	463,586,298	–
Payables for exploration and mining rights	40,183,292	43,058,005
Donation payables	68,129,597	69,905,309
Withholding individual income tax	10,478,663	61,662,544
Payables for losses on futures contracts	20,945,457	57,502,014
Accrued maintenance costs	61,396,719	70,375,135
Payables for consulting services	13,829,066	21,229,376
Others	740,239,136	858,904,645
	7,547,059,118	7,366,475,336

As at 30 June 2021, the significant balances of other payables aged more than one year are as follows:

	Reason for not being settled	Balance
China Gezhouba Group Municipal Engineering Co., Ltd.	Construction payments not yet settled	302,163,823
Tongling Nonferrous Metals Group Holding Co., Ltd. ("Tongling Nonferrous Metals")	Payables not yet settled	212,253,500
Xiamen C&D Inc. ("C&D Inc.")	Payables not yet settled	84,901,400
Fujian Xinhua Engineering Company Limited Nenjiang Branch	Construction payments not yet settled	74,680,284
Inner Mongolia North Hauler Joint Stock Company Limited	Construction payments not yet settled	70,177,000
China Huaye Group Company Limited	Construction payments not yet settled	56,817,783
Shanghang County Finance Bureau	Expense of exploration rights not yet settled	22,948,760
Mr. Zhu	Expense of mining rights not yet settled	29,672,233
The 8th Metallurgical Construction Group Company Limited	Construction payments not yet settled	29,593,684
		883,208,467

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

30. Other payables *(continued)*

Other payables *(continued)*

As at 31 December 2020, the significant balances of other payables aged more than one year are as follows:

	Reason for not being settled	Balance
China Gezhouba Group Municipal Engineering Co., Ltd.	Construction payments not yet settled	316,379,467
Tongling Nonferrous Metals C&D Inc.	Payables not yet settled	212,299,899
Tibet Autonomous Region Forestry Department	Payables not yet settled	84,919,960
Inner Mongolia North Hauler Joint Stock Company Limited	Construction payments not yet settled	95,209,544
China Gezhouba Group Foundation Engineering Co., Ltd.	Construction payments not yet settled	69,177,000
China Huaye Group Company Limited	Construction payments not yet settled	56,784,929
Mr. Zhu	Expense of mining rights not yet settled	48,160,807
The 8th Metallurgical Construction Group Company Limited	Expense of mining rights not yet settled	29,672,233
Shanghang County Finance Bureau	Construction payments not yet settled	26,007,578
	Expense of exploration rights not yet settled	22,948,760
		961,560,177

31. Current portion of non-current liabilities

	30 June 2021	31 December 2020
Current portion of long-term borrowings (Note V.33)	3,446,080,215	1,658,269,127
Current portion of bonds payable (Note V.34)	5,003,004,660	5,825,382,124
Current portion of bonds interest (Note V.34)	318,788,836	295,689,277
Current portion of lease liabilities (Note V.35)	85,562,806	81,009,218
Current portion of long-term payables (Note V.36)	182,714,354	109,742,855
Current portion of contract liabilities - metals streaming business (Note V.39)	12,464,198	5,655,614
	9,048,615,069	7,975,748,215

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

32. Other current liabilities

	30 June 2021	31 December 2020
Ultra short-term financing bonds (Note 1)	1,009,234,246	–
Provisions (Note 2)	56,926,869	46,751,598
Endorsed bills receivable that have not been derecognised and not yet due	94,597,125	74,508,438
Output VAT to be transferred	55,859,896	51,644,881
Total	1,216,618,136	172,904,917

Note 1: In July 2019, the Company received the Notice of Registration Acceptance (Zhongshixiezu [2019] DFI No. 18) issued by the National Association of Financial Market Institutional Investors and the Company was approved to register debt financing instruments. The registration was effective within 2 years commencing from the issuance date of the notice, during which the Company was allowed to issue ultra short-term financing bonds, short-term financing bonds, medium-term notes and perpetual notes in different tranches. On 29 January 2021, the Company issued ultra short-term financing bonds with a principal amount of RMB500 million and a maturity period of 180 days. The redemption date would be 28 July 2021 with an interest rate of 2.9%. On 15 March 2021, the Company issued ultra short-term financing bonds with a principal amount of RMB500 million and a maturity period of 180 days. The redemption date would be 11 September 2021 with an interest rate of 2.88%.

Note 2: The balances were the community development funds and mine recovery reserves which were provided and expected to be used within one year by La Compagnie Minière de Musonoie Global Société par Actions Simplifiée ("COMMUS"), the Group's overseas subsidiary.

33. Long-term borrowings

	30 June 2021	31 December 2020
Secured bank loans (Note 1)	8,094,020,000	4,478,306,616
Pledged loans (Note 2)	3,669,336,800	4,978,097,354
Unsecured and non-guaranteed loans	23,273,602,603	21,284,752,355
Including: Current portion of long-term borrowings (Note V.31)	35,036,959,403 (3,446,080,215)	30,741,156,325 (1,658,269,127)
	31,590,879,188	29,082,887,198

Note 1: In 2021, Julong Copper used the mining right permit of the Qulong Copper and Polymetallic Mine, the mining right permit of the Zhibula Copper and Polymetallic Mine, the exploration right permit of the Rongmuola Copper and Polymetallic Mine and machinery and equipment with appraisal values of RMB6.751 billion, RMB1.007 billion, RMB1.758 billion and RMB0.607 billion respectively as collaterals for a loan from a bank syndicate (formed by the Bank of China Limited Tibet Autonomous Region Branch, Bank of Tibet Co., Ltd., Agricultural Bank of China Limited Tibet Autonomous Region Branch, Industrial and Commercial Bank of China Limited Tibet Autonomous Region Branch, China Construction Bank Corporation Tibet Autonomous Region Branch and Industrial Bank Co., Ltd. Lhasa Branch). The term of the loan is 12 years. As at 30 June 2021, the outstanding balance of the above secured bank loan was RMB7,974,020,000.

In 2020, Bayannur Zijin, a subsidiary of the Group, used its legally owned buildings, land use rights and machinery and equipment as collaterals to secure a bank loan of RMB135,000,000 with a maturity of 5 years from the China Development Bank Inner Mongolia Autonomous Region Branch. As at 30 June 2021, the outstanding balance of the above secured bank loan was RMB120,000,000 (31 December 2020: outstanding balance was RMB135,000,000).

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

33. Long-term borrowings *(continued)*

Note 2: On 31 December 2020, Gold Mountains (H.K.), a subsidiary of the Company, pledged the equity interest in Zijin (America) Gold Mining Company Limited ("Zijin America") as a security for a syndicated loan amounted to USD568 million from China CITIC Bank Fuzhou Branch and other banks (loans from China CITIC Bank Fuzhou Branch, China Minsheng Bank Fuzhou Branch, Bank of China Hungarian Branch and China Merchants Bank Hong Kong Branch amounted to USD248 million, USD100 million, USD120 million and USD100 million, respectively) with a term of 6 years. As at 30 June 2021, the outstanding balance of the above pledged loan was RMB3,669,336,800 (31 December 2020: outstanding balance was RMB3,706,143,200).

As at 30 June 2021, the interest rate of the above loans ranged from 1.20% to 4.90% per annum (31 December 2020: from 1.20% to 3.50% per annum).

Maturity analysis of long-term borrowings is as follows:

	30 June 2021	31 December 2020
Within 1 year or repayable on demand	3,446,080,215	1,658,269,127
Over 1 year but within 2 years	7,483,175,646	8,026,235,027
Over 2 years but within 5 years	16,144,352,167	18,233,732,132
Over 5 years	7,963,351,375	2,822,920,039
	35,036,959,403	30,741,156,325

34. Bonds payable

	30 June 2021	31 December 2020
Bonds payable	5,003,004,660	5,825,382,124
Medium-term notes	10,785,352,671	9,988,407,781
Convertible corporate bonds (Note 5)	–	5,133,939,580
Preference shares (Note 6)	968,402,220	978,734,705
	16,756,759,551	21,926,464,190
Bonds interest	318,788,836	295,689,277
Dividends on preference shares	–	8,596,553
	17,075,548,387	22,230,750,020
Including: Current portion of bonds payable (Note V.31)	(5,003,004,660)	(5,825,382,124)
Current portion of bonds interest (Note V.31)	(318,788,836)	(295,689,277)
	11,753,754,891	16,109,678,619

Notes to Financial Statements (continued)

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

34. Bonds payable (continued)

As at 30 June 2021, the outstanding balances of bonds payable were as follows:

Note	Currency	Face value	Issue date	Maturity	Issue value	At 1 January 2021	Issued in the current period	Interest accrued in the current period	Classified into other equity instruments	Amortisation of discount/premium	Exchange gains or losses	Interest paid for the current period	Repayment of principal in the current period	At 30 June 2021
Note 2	RMB	2,000,000,000	18 March 2016	5 years	2,000,000,000	1,997,715,475	-	16,650,000	-	284,525	-	(67,400,000)	(2,000,000,000)	-
Note 2	RMB	3,000,000,000	18 March 2016	5 years	3,000,000,000	302,488,022	-	2,261,412	-	41,978	-	(9,065,547)	(302,530,000)	-
Note 5	RMB	6,000,000,000	3 November 2020	5 years	6,000,000,000	5,153,933,300	-	(5,028,397)	868,731,208	(2,670,789)	-	-	(6,000,000,000)	-
Note 4	RMB	1,000,000,000	11 March 2019	5 years	1,000,000,000	998,683,309	-	21,500,000	-	196,638	-	(43,000,000)	-	998,079,547
Note 4	RMB	1,000,000,000	8 July 2019	5 years	1,000,000,000	998,117,653	-	18,500,000	-	116,171	-	-	-	999,233,824
Note 4	RMB	2,500,000,000	30 August 2019	5 years	2,500,000,000	2,496,237,453	-	49,375,000	-	481,264	-	-	-	2,496,718,697
Note 4	RMB	1,000,000,000	21 February 2020	5 years	1,000,000,000	998,318,106	-	77,550,000	-	189,948	-	(35,100,000)	-	998,489,134
Note 4	RMB	1,000,000,000	21 February 2020	3 years	1,000,000,000	998,122,083	-	15,500,000	-	197,331	-	(31,000,000)	-	999,319,414
Note 4	RMB	2,000,000,000	29 November 2020	3 years	2,000,000,000	1,997,663,632	-	42,000,000	-	380,467	-	-	-	1,998,043,099
Note 7	RMB	300,000,000	27 April 2021	3 years	300,000,000	-	300,000,000	1,653,000	-	(341,044)	-	-	-	299,658,956
Note 7	RMB	1,500,000,000	3 June 2021	3 years	1,500,000,000	-	1,500,000,000	-	-	(3,750,000)	-	-	-	1,496,250,000
Note 7	RMB	500,000,000	3 June 2021	5 years	500,000,000	-	500,000,000	-	-	(1,250,000)	-	-	-	498,750,000
Note 6	USD (equivalent amount in RMB)	969,014,783	11 May 2020	5 years	969,014,783	978,734,705	-	24,851,178	-	-	(10,334,465)	-	-	968,402,220
	Current portion of bonds payable													
Note 2	RMB	1,800,000,000	15 July 2016	5 years	1,800,000,000	46,984,469	-	671,015	-	12,414	-	-	-	43,989,913
Note 2	RMB	1,200,000,000	15 July 2016	5 years	1,200,000,000	1,199,598,509	-	20,700,000	-	394,478	-	-	-	1,199,940,987
Note 4	RMB	1,500,000,000	11 March 2019	3 years	1,500,000,000	1,498,275,265	-	28,500,000	-	306,625	-	(57,000,000)	-	1,499,811,910
Note 3	USD (equivalent amount in RMB)	2,261,034,464	18 October 2018	3 years	2,261,034,464	2,279,601,619	-	58,848,788	-	2,520,204	(20,638,973)	(59,733,921)	-	2,259,482,950
		29,530,049,277			29,530,049,277	21,926,464,190	2,300,000,000	319,933,996	868,731,208	(2,934,380)	(34,971,438)	(302,295,568)	(8,302,530,000)	16,756,795,551

Notes to Financial Statements (continued)

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

34. Bonds payable (continued)

As at 31 December 2020, the outstanding balances of bonds payable were as follows:

Note	Currency	Face value	Issue date	Maturity	Issue value	At 1 January 2020	Issued in the current year	Interest accrued in the current year	Classified into other equity instruments	Amortisation of discount/premium	Exchange gains or losses	Interest paid for the current year	Repayment of principal in the current year	At 31 December 2020
Note 1	RMB	3,300,000,000	11 September 2015	5 years	3,300,000,000	3,298,810,017	-	108,900,000	-	1,189,983	-	(145,200,000)	8,300,000,000	-
Note 4	RMB	1,500,000,000	11 March 2019	3 years	1,500,000,000	1,498,679,402	-	57,000,000	-	558,883	-	(57,000,000)	-	1,499,275,265
Note 4	RMB	1,000,000,000	11 March 2019	5 years	1,000,000,000	998,303,958	-	49,000,000	-	379,551	-	(49,000,000)	-	998,683,509
Note 4	RMB	1,000,000,000	8 July 2019	5 years	1,000,000,000	998,891,656	-	37,000,000	-	225,957	-	(37,000,000)	-	999,117,553
Note 4	RMB	2,500,000,000	30 August 2019	5 years	2,500,000,000	2,495,302,218	-	98,750,000	-	994,215	-	(98,750,000)	-	2,496,237,433
Note 4	RMB	1,000,000,000	21 February 2020	5 years	1,000,000,000	-	1,000,000,000	29,250,000	-	(1,658,814)	-	-	-	998,391,186
Note 4	RMB	1,000,000,000	21 February 2020	3 years	1,000,000,000	-	1,000,000,000	25,633,333	-	(877,917)	-	-	-	999,122,088
Note 4	RMB	2,000,000,000	23 November 2020	3 years	2,000,000,000	-	2,000,000,000	7,000,000	-	(2,337,368)	-	-	-	1,997,662,632
Note 5	RMB	6,000,000,000	3 November 2020	5 years	6,000,000,000	-	6,000,000,000	2,000,000	868,731,209	2,670,789	-	-	-	5,133,993,500
Note 6	USD (equivalent amount in RMB)	1,052,740,000	11 May 2020	5 years	1,052,740,000	-	1,052,740,000	32,341,964	-	-	(9,105,295)	-	-	978,294,716
	Current portion of bonds payable													
Note 2	RMB	2,000,000,000	18 March 2016	5 years	2,000,000,000	1,998,601,408	-	61,400,000	-	1,114,067	-	(61,400,000)	-	1,999,715,475
Note 2	RMB	3,000,000,000	18 March 2016	5 years	3,000,000,000	3,023,276,664	-	9,956,647	-	164,758	-	(9,956,647)	-	3,024,080,022
Note 2	RMB	1,800,000,000	15 July 2016	5 years	1,800,000,000	45,952,242	-	1,340,031	-	24,257	-	(1,340,031)	-	43,986,469
Note 2	RMB	1,200,000,000	15 July 2016	5 years	1,200,000,000	1,198,907,708	-	41,400,000	-	682,801	-	(41,400,000)	-	1,199,990,509
Note 3	USD (equivalent amount in RMB)	2,283,714,311	18 October 2018	3 years	2,283,714,311	2,431,495,791	-	121,320,244	-	5,403,556	(157,297,728)	(120,625,790)	-	2,279,601,619
		30,653,454,311			30,653,454,311	15,265,270,704	11,057,740,000	681,382,619	868,731,209	8,479,778	(248,320,023)	(620,783,468)	8,300,000,000	27,926,464,190

Note 1: The Company, through the Interbank Market Clearing House Co., Ltd., issued medium-term notes with a face value of RMB3.3 billion on 11 September 2015 with a maturity of 5 years and coupon rate of 4.4%. Interest of the notes shall be paid annually. The 5-year medium-term notes issued on 11 September 2015 matured and were settled.

Note 2: Pursuant to the approval of the CSRC on 17 February 2016, the Company issued corporate bonds with a face value of RMB2 billion through the Shanghai Stock Exchange on 18 March 2016. The bonds have a maturity of 5 years, and an annual interest rate of 3.37%. On 18 March 2016, the Company issued corporate bonds with a face value of RMB3 billion through the Shanghai Stock Exchange. The bonds have a maturity of 5 years, and an annual interest rate of 2.99%, with terms that the issuer has an option to adjust the interest rate and investors have a sell-back option at the end of the third year. The Company exercised the sell-back option on 15 July 2016, the Company issued corporate bonds with a face value of RMB1.8 billion through the Shanghai Stock Exchange. The bonds have a maturity of 5 years, and an annual interest rate of 3.05%, with terms that the issuer has an option to adjust the interest rate and investors have a sell-back option at the end of the third year. The Company exercised the sell-back option in 2019. On 15 July 2016, the Company issued corporate bonds with a face value of RMB1.2 billion through the Shanghai Stock Exchange. The bonds have a maturity of 5 years, and an annual interest rate of 3.45%. The interest payments of the above corporate bonds shall be settled annually and the principal shall be repaid in full upon their maturities. The above corporate bonds will mature in 2021. Therefore, the Company classified them as the current portion of bonds payable.

Note 3: In October 2018, Zijin International Capital Company Limited, an overseas wholly-owned subsidiary of the Company, issued guaranteed senior bonds with an aggregate face value of USD350 million and an annual interest rate of 5.282% through the Stock Exchange of Hong Kong Limited on 18 October 2018. The date of maturity is 18 October 2021 and the Company is the guarantor. From 18 April 2019, the interest shall be paid semi-annually on 18 April and 18 October. The bonds will mature in 2021. Therefore, the Company classified the bonds as the current portion of bonds payable.

Notes to Financial Statements *(continued)*

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*34. Bonds payable *(continued)*

Note 4: The Company, through the Interbank Market Clearing House Co., Ltd., issued medium-term notes with a face value of RMB1.5 billion, a maturity of 3 years and an annual interest rate of 3.80% on 11 March 2019; issued medium-term notes with a face value of RMB1.0 billion, a maturity of 5 years and an annual interest rate of 4.30% on 11 March 2019; issued medium-term notes with a face value of RMB1.0 billion, a maturity of 5 years and an annual interest rate of 3.70% on 8 July 2019; issued medium-term notes with a face value of RMB2.5 billion, a maturity of 5 years and an annual interest rate of 3.95% on 30 August 2019; issued medium-term notes with a face value of RMB1.0 billion, a maturity of 3 years and an annual interest rate of 3.10%, and medium-term notes with a face value of RMB1.0 billion, a maturity of 5 years and an annual interest rate of 3.51% on 21 February 2020; and issued medium-term notes with a face value of RMB2.0 billion, a maturity of 3 years and an annual interest rate of 4.20% on 23 November 2020. The interest payments of the above medium-term notes shall be settled annually and the principals shall be repaid in full upon their maturities.

Note 5: Pursuant to the Approval for Public Issuance of Convertible Corporate Bonds of Zijin Mining Group Co., Ltd.* issued by the CSRC (Zheng Jian Xu Ke [2020] No. 2613), the Company issued 60,000,000 convertible corporate bonds with a face value of RMB100 each on 3 November 2020, and raised RMB6,000,000,000 in total. After deducting the underwriting and sponsor fees of RMB25,471,698 (tax excluded) and other issuance costs of RMB4,243,235 (tax excluded), the actual net amount raised was RMB5,970,285,067. Among which, the value of the liability component of the issued convertible corporate bonds of RMB5,101,553,858 was accounted for as bonds payable, and the value of the equity component of RMB868,731,209 was accounted for as other equity instruments.

The annual coupon rate of the convertible corporate bonds issued was 0.20% for the first year, 0.40% for the second year, 0.60% for the third year, 0.80% for the fourth year, and 1.50% for the fifth year, interest shall be settled annually, and the final year's interest payment shall be made at the same time as repayment of principal at maturity. The convertible corporate bonds were issued at an initial conversion price of RMB7.01 per A Share. The conversion period was from 10 May 2021 to 2 November 2025. After such issuance, there were no distribution of bonus shares, conversion of capital reserve into share capital, issuance of new shares (excluding the increase in share capital due to the conversion of convertible corporate bonds in the issue), rights issue, distribution of cash dividends and other events which require adjustment to the conversion price. The conversion price was RMB7.01 per A Share. On 3 February 2021, since the Company had completed the transfer of partial A Shares granted to the participants of the restricted A Share incentive scheme by way of specific issuance of ordinary shares (A Shares), the conversion price of the convertible corporate bonds was adjusted from RMB7.01 per A Share to RMB7.00 per A Share. As the terms of redemption of the A Share convertible corporate bonds had been triggered, the Company convened a board meeting on 28 May 2021, at which it was determined that the early redemption right would be exercised. As at the record date for redemption (25 June 2021) after market closed, the cumulative number of A Shares converted from "Zijin Convertible Bonds" was 854,361,694. Starting from 28 June 2021, "Zijin Convertible Bonds" (bond code: 113041) had been delisted from the Shanghai Stock Exchange.

Note 6: On 31 March 2020, the Company and Gold Mountains (H.K.), its subsidiary, entered into a share subscription agreement with Hantang Iron Ore Investments Limited ("Hantang Iron Ore"). On 11 May 2020, Gold Mountains (H.K.) issued 150 million Class A preference shares to Hantang Iron Ore at a consideration of USD150 million (equivalent to RMB1,069,740,000 on the issue date). Meanwhile, the parties also entered into a three-party put and call option deed, pursuant to which Hantang Iron Ore holds a put option. When the put option trigger events occur and Hantang Iron Ore chooses to exercise the put option, the Company should assign Gold Mountains (H.K.) or other subsidiaries within the Group to settle the put option at the same consideration for purchasing the put option. At the same time, the Company holds a call option which can be exercised from the day following the fifth anniversary of the completion date of the share subscription agreement. Since neither the Company nor Gold Mountains (H.K.) can unconditionally avoid settlement by delivery of cash, the Company classified such item as a bond payable.

Note 7: In the year 2021, the Company, through the Interbank Market Clearing House Co., Ltd., issued medium-term notes. The Company issued carbon neutral bonds with a face value of RMB300 million, a maturity of 3 years and an annual interest rate of 3.71% on 27 April 2021; the Company, through China Securities Depository and Clearing Corporation Limited, issued corporate bonds with a face value of RMB1.5 billion, a maturity of 3 years and an annual interest rate of 3.46%, and corporate bonds with a face value of RMB0.5 billion, a maturity of 5 years and an annual interest rate of 3.87% on 3 June 2021. The interest payments of the above medium-term notes shall be settled annually and the principals shall be repaid in full upon their maturities.

As at 30 June 2021 and 31 December 2020, the Company had no overdue bonds.

35. Lease liabilities

	30 June 2021	31 December 2020
Lease liabilities	249,613,122	253,713,818
Including: Current portion of lease liabilities (Note V.31)	(85,562,806)	(81,009,218)
	164,050,316	172,704,600

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

36. Long-term payables

	30 June 2021	31 December 2020
Payables for acquisition of equities/debts	66,767,256	102,671,430
Payables to FMEC (Note 1)	290,476,704	353,906,218
Payables for acquisitions of mining rights	684,852,391	166,087,511
Entrusted investments	238,933,556	216,368,782
Loans from related parties	412,637,791	454,638,127
Resettlement compensations (Note 2)	658,480,513	638,487,694
Others	116,216,722	123,821,085
	2,468,364,933	2,055,980,847
Including: Current portion of long-term payables (Note V.31)	(182,714,354)	(109,742,855)
	2,285,650,579	1,946,237,992

* Maturity analysis of long-term payables is as follows:

	30 June 2021	31 December 2020
Within 1 year or repayable on demand	182,714,354	109,742,855
Over 1 year but within 2 years	330,038,541	471,221,321
Over 2 years but within 5 years	589,550,665	276,317,717
Over 5 years	1,366,061,373	1,198,698,954
	2,468,364,933	2,055,980,847

Note 1: On 3 November 2019, Zijin (Europe) International Mining Company Limited ("Zijin Europe") acquired 72% of Class B Shares of CuAu International Holding (BVI) Ltd. held by FMEC to obtain interests in the Lower Zone of the Timok Copper and Gold Mine (the "Lower Zone") and interests in the relevant exploration licences held by FMEC. Pursuant to the share purchase agreement, the consideration comprises two components, including an initial payment and a deferred payment. On 27 December 2019, Zijin Europe settled the initial payment of USD240,000,000 (equivalent to RMB1,677,096,000) and completed the registration for the change of equity interest on the same day. The present value of the deferred payment was USD44,964,748 (equivalent to RMB290,476,704) and it was expected that payment of the amount would begin after five years.

Besides, Nevsun Resources entered into a cooperation agreement with FMEC to acquire a 100% interest in the Upper Zone and partial interest in the Lower Zone of the Timok Copper and Gold Mine in 2016. According to the agreement, the outstanding balance to be paid to FMEC amounted to USD107,500,000 in total.

On 27 December 2019, the Group acquired the remaining interests in the Lower Zone of the Timok Copper and Gold Mine held by FMEC. After negotiation, both parties agreed that the abovementioned outstanding balances shall be settled before 2022 and the original cooperation agreement entered into between Nevsun Resources and FMEC would be terminated. Among which, USD45,000,000 shall be paid on or before 31 July 2020, USD50,000,000 shall be paid on or before 31 December 2021 and USD12,500,000 shall be paid on or before 31 March 2022, respectively. As at 30 June 2021, the outstanding balance was USD62,500,000, among which, USD50,000,000 (equivalent to RMB323,004,928) and USD12,500,000 (equivalent to RMB80,751,232) shall be paid on or before 31 December 2021 and 31 March 2022 respectively, and the amounts were reclassified to other payables.

Notes to Financial Statements *(continued)*

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*36. Long-term payables *(continued)*

Note 2: In December 2012, Julong Copper entered into the Cooperation Framework Agreement on Qulong Copper and Polymetallic Mine Development Project with the People's Government of Maizhokunggar County. According to the agreement, the People's Government of Maizhokunggar County requisitioned the agricultural land of Jiama Zizirong Village and provided it to Julong Copper for the metal mine development project. Therefore, Julong Copper was required to pay land-lost farmers resettlement compensations. The compensations include one-off subsidies and long-term subsidies. The long-term subsidies were required to be paid for 50 years. If the development project exceeds 50 years, the duration of Julong Copper shall prevail. As at 30 June 2021, the outstanding balance of such long-term resettlement compensations payable was RMB419,466,286, among which, RMB23,856,085 will fall due within one year.

On 29 December 2016, Julong Copper entered into the Agreement on the Second Phase of Resettlement in Jiama Zizirong Village with the People's Government of Maizhokunggar County, which stipulated that Julong Copper would pay long-term subsidies for 50 years to the People's Government of Maizhokunggar County for the second phase of resettlement of farmers and herdsmen. If the development project exceeds 50 years, the duration of Julong Copper shall prevail. As at 30 June 2021, the outstanding balance of such long-term resettlement compensations payable was RMB92,171,721, among which, RMB4,276,746 will fall due within one year.

As at 30 June 2021, the outstanding balance of resettlement compensations payable to local landlords by BNL, the Group's joint arrangement, was RMB125,589,891.

37. Provisions

30 June 2021

	At 1 January 2021	Additions	Reductions	At 30 June 2021
Provision for environmental rehabilitation and restoration of mines (Note 1)	3,389,148,495	50,614,868	(131,931,583)	3,307,831,780
Defined benefits payable	57,886,910	–	(7,596,411)	50,290,499
Provision for litigations (Note 2)	100,708,758	–	(66,645,637)	34,063,121
Financial guarantee contract liabilities (Note 3)	588,878,419	–	(588,878,419)	–
	4,136,622,582	50,614,868	(795,052,050)	3,392,185,400

31 December 2020

	At 1 January 2020	Additions	Reductions	At 31 December 2020
Provision for environmental rehabilitation and restoration of mines (Note 1)	2,808,780,315	817,311,233	(236,943,053)	3,389,148,495
Defined benefits payable	66,406,029	–	(8,519,119)	57,886,910
Provision for litigations (Note 2)	52,525,939	84,067,257	(35,884,438)	100,708,758
Financial guarantee contract liabilities (Note 3)	–	727,319,236	(138,440,817)	588,878,419
	2,927,712,283	1,628,697,726	(419,787,427)	4,136,622,582

Note 1: The subsidiaries of the Group recognised a provision for environmental rehabilitation and restoration of mines based on the estimation of the lives of mining tenements, timing of mine closure and costs of rehabilitation to be incurred at mine closure.

Note 2: The lawsuit of Guyana Goldfields had ended during the period and the balance as at the end of the period represented the provision for litigations of Serbia Zijin Copper, an overseas subsidiary of the Group.

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

37. Provisions *(continued)*

Note 3: The Group included Julong Copper into the scope of consolidation on 9 July 2020 (the "Acquisition Date"). In previous years, Julong Copper provided joint guarantee liabilities for the relevant debts of its related parties including Tibet Zangge Venture Capital Group Co., Ltd., Sichuan Yonghong Industrial Co., Ltd. and Qinghai Zhonghao Natural Gas Chemical Engineering Co., Ltd. pursuant to the resolution of the shareholders' general meetings signed by some of its shareholders. The abovementioned related parties also pledged shares and provided machinery and equipment as collaterals to the creditors. Based on the amount of expected credit loss under the exposure at default as at the Acquisition Date, which was calculated as the expected risk exposure of the guarantees less the value of the shares pledged and the assessed value of the secured equipment, the Group recognised financial guarantee contract liabilities of RMB727,319,236. As at 30 June 2021, the Group recognised a provision of RMB0 based on the abovementioned exposure at default (31 December 2020: RMB588,878,419), and an expected credit loss for financial guarantee contract of RMB588,878,419 was reversed during the current period (RMB138,440,817 was reversed during the year ended 31 December 2020). Such accounting treatments were made based on the ASBE. It does not represent the Group's ratification to the abovementioned guarantee actions nor rectification of the guarantee procedures.

38. Deferred income

30 June 2021

	At 1 January 2021	Additions	Reductions	At 30 June 2021
Government grants	456,711,967	5,624,800	(33,489,600)	428,847,167

31 December 2020

	At 1 January 2020	Additions	Reductions	At 31 December 2020
Government grants	496,720,164	48,005,630	(88,013,827)	456,711,967

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*38. Deferred income *(continued)*

As at 30 June 2021, liabilities related to government grants were as follows:

	At 1 January 2021	Additions	Recognised as other income for the period	Other movements	At 30 June 2021	Related to assets or income
Expenditures for science projects	37,596,815	1,374,800	(3,482,147)	–	35,489,468	Assets
Fund for environmental protection projects	120,953,646	4,250,000	(5,761,667)	–	119,441,979	Assets
Refund of land compensation from government	96,156,667	–	(697,869)	–	95,458,798	Assets
Comprehensive utilisation of mineral resources	150,688,354	–	(6,333,135)	–	144,355,219	Assets
Other financial subsidies	51,316,485	–	(17,134,484)	(80,298)	34,101,703	Assets/Income
	456,711,967	5,624,800	(33,409,302)	(80,298)	428,847,167	

As at 31 December 2020, liabilities related to government grants were as follows:

	At 1 January 2020	Additions	Recognised as other income for the year	Other movements	At 31 December 2020	Related to assets or income
Expenditures for science projects	4,851,863	34,858,300	(2,113,348)	–	37,596,815	Assets
Fund for environmental protection projects	129,147,038	9,500,000	(17,693,392)	–	120,953,646	Assets
Refund of land compensation from government	98,995,027	–	(2,838,360)	–	96,156,667	Assets
Comprehensive utilisation of mineral resources	164,264,210	–	(13,575,856)	–	150,688,354	Assets
Other financial subsidies	99,462,026	3,647,330	(51,792,871)	–	51,316,485	Assets/Income
	496,720,164	48,005,630	(88,013,827)	–	456,711,967	

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

39. Other non-current liabilities

	30 June 2021	31 December 2020
Contract liabilities – metals streaming business (Note 1)	757,488,455	768,569,571
Contingent consideration (Note 2)	1,377,568,506	1,359,912,912
Import VAT payables (Note 3)	91,142,126	103,906,072
Total	2,226,199,087	2,232,388,555

Note 1: On 25 June 2019, Continental Gold entered into a metals streaming agreement with Triple Flag Precious Metals Corp. (“Triple Flag”), and obtained a prepayment of USD100,000,000 from Triple Flag. Continental Gold shall satisfy its delivery obligations with 2.1% of the future gold production of the Buriticá Gold Mine (the “Gold Delivery Obligation”) and silver production which equals to 1.84 times of the Gold Delivery Obligation (the “Silver Delivery Obligation”). For each ounce of products to be delivered under the agreement, Triple Flag would pay 10% and 5%, respectively, of the gold and silver market prices prevailing at the time of delivery. Besides, the agreement also stipulates that Continental Gold may choose to repurchase the Gold Delivery Obligation in advance before 31 December 2021, and the consideration would be USD80,000,000 less 90% of the value of the gold delivered (the “Redemption Right of the Gold Delivery Obligation”). When the Group acquired Continental Gold on 5 March 2020, the Buriticá Gold Mine was still in the stage of infrastructure construction and had not yet begun to perform its delivery obligations.

On 5 March 2020, contract liabilities of RMB782,999,275 and RMB825,997,015 were recognised based on the fair values of the Gold Delivery Obligation and the Silver Delivery Obligation respectively. The Redemption Right of the Gold Delivery Obligation was recognised as a held for trading financial asset based on the fair value of RMB254,530,379.

On 30 December 2020, Continental Gold and Triple Flag entered into an agreement to exercise the Redemption Right of the Gold Delivery Obligation. The Gold Delivery Obligation was redeemed at USD78,028,190 (equivalent to approximately RMB509,125,982). The Group expects that the delivery obligations under the metals streaming business will be settled in 2042. As at 30 June 2021, contract liability of RMB769,952,653 was recognised based on the fair value of the Silver Delivery Obligation, among which, the amount due within one year was equivalent to RMB12,464,198.

Note 2: Based on the acquisition agreement regarding the Group’s acquisition of Julong Copper, the Group was required to pay all the sellers a certain amount of compensations when Julong Copper obtained the mining permit of the Qulong Copper and Polymetallic Mine phase two with an increased mining and processing capacity of 150,000 tonnes per day as well as the corresponding construction permits and approval procedures. The fair values of the contingent consideration as at 9 July 2020 and 30 June 2021 were RMB1,343,122,407 and RMB1,377,568,506 respectively (31 December 2020: RMB1,359,912,912). The changes in fair value amounted to RMB17,655,594 during the reporting period were recognised in gains or losses on changes in fair value.

Note 3: The balance is the unpaid import VAT payables of Continental Gold, the Group’s subsidiary, for importing machinery and equipment from 2017 to 2021. According to the Colombian laws, taxes related to the purchase of imported equipment for mining projects can be settled any time within ten years after the purchase.

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

40. Share capital

30 June 2021

	At 1 January 2021	Movements					At 30 June 2021
		Issuance of new shares	Stock dividend	Conversion of capital reserve into shares		Subtotal	
				Others			
I. Shares not subject to trading moratorium							
RMB ordinary shares (Note 1)	1,964,031,995	-	-	-	85,436,169	85,436,169	2,049,468,164
Overseas-listed foreign invested shares	573,694,000	-	-	-	-	-	573,694,000
Total share capital of shares not subject to trading moratorium	2,537,725,995	-	-	-	85,436,169	85,436,169	2,623,162,164
II. Shares subject to trading moratorium							
RMB ordinary shares (Note 2)	-	-	-	-	9,598,060	9,598,060	9,598,060
III. Total share capital	2,537,725,995	-	-	-	95,034,229	95,034,229	2,632,760,224

31 December 2020

	At 1 January 2020	Movements					At 31 December 2020
		Issuance of new shares	Stock dividend	Conversion of capital reserve into shares		Subtotal	
				Others			
I. Shares not subject to trading moratorium							
RMB ordinary shares (Note 3)	1,922,176,690	-	-	-	41,855,305	41,855,305	1,964,031,995
Overseas-listed foreign invested shares	573,694,000	-	-	-	-	-	573,694,000
Total share capital of shares not subject to trading moratorium	2,495,870,690	-	-	-	41,855,305	41,855,305	2,537,725,995
II. Shares subject to trading moratorium							
RMB ordinary shares (Note 3)	41,855,305	-	-	-	(41,855,305)	(41,855,305)	-
III. Total share capital	2,537,725,995	-	-	-	-	-	2,537,725,995

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

40. Share capital *(continued)*

Note 1: On 3 November 2020, the Company publicly issued A Share convertible corporate bonds with a total issuance amount of RMB6 billion and the conversion began on 10 May 2021. As the terms of redemption of the A Share convertible corporate bonds had been triggered, the Company convened a board meeting on 28 May 2021, at which it was determined that the early redemption right would be exercised. As at the record date for redemption (25 June 2021) after market closed, the cumulative number of A Shares converted from "Zijin Convertible Bonds" was 854,361,694. Starting from 28 June 2021, "Zijin Convertible Bonds" (bond code: 113041) had been delisted from the Shanghai Stock Exchange. The Company's registered capital was correspondingly changed to RMB2,632,760,224.

Note 2: On 13 January 2021, the proposal in relation to the grant of restricted A Shares to the participants under the first grant was considered and approved at the Company's first extraordinary meeting in 2021 of the seventh term of the Board and the first extraordinary meeting in 2021 of the seventh term of the Supervisory Committee. It was determined that the grant date of the Company's restricted A Shares to be issued under the incentive scheme was 13 January 2021, and the Company would grant 97,490,000 restricted A Shares to 697 participants at a grant price of RMB4.95 per A Share. On 28 January 2021, the Company completed the registration of shares at China Securities Depository and Clearing Company Limited Shanghai Branch. 686 participants of the restricted A Share incentive scheme were granted 95,980,600 restricted A Shares. The listing date of such A Shares was 29 January 2021. The Company's registered capital was correspondingly changed to RMB2,547,324,055.

Note 3: Pursuant to the Approval for Non-public Issuance of A Shares of Zijin Mining Group Co., Ltd.* (Zheng Jian Xu Ke [2017] No. 289) issued by the CSRC in June 2017, the Company non-publicly issued 1,490,475,241 A Shares subject to trading moratorium. As at 30 June 2021, the A Shares subject to trading moratorium issued by the Company had been unlocked and became publicly floating.

41. Other equity instruments

	30 June 2021	31 December 2020
Renewable corporate bonds (Note 1)	4,486,950,000	4,486,950,000
Convertible corporate bonds – equity component (Note V.34 Note 5)	–	868,731,209
	4,486,950,000	5,355,681,209

Notes to Financial Statements *(continued)*

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*41. Other equity instruments *(continued)*

Note 1: (1) Basic information on renewable corporate bonds issued and outstanding

As at 30 June 2021, the detailed information of outstanding renewable corporate bonds issued by the Group was as follows:

Abbreviation of bond	Date of issuance	Accounting classification	Interest rate	Issue price (RMB/unit)	Quantity	Total issue amount (RMB)	Amount recognised in other equity instruments (RMB)	Date of maturity
18 Zijin Y1	16 October 2018	Renewable corporate bonds	5.17%	100	45,000,000	4,500,000,000	4,486,950,000	17 October 2021

As at 31 December 2020, the detailed information of outstanding renewable corporate bonds issued by the Group was as follows:

Abbreviation of bond	Date of issuance	Accounting classification	Interest rate	Issue price (RMB/unit)	Quantity	Total issue amount (RMB)	Amount recognised in other equity instruments (RMB)	Date of maturity
18 Zijin Y1	16 October 2018	Renewable corporate bonds	5.17%	100	45,000,000	4,500,000,000	4,486,950,000	17 October 2021

On 16 October 2018, the Group publicly issued 2018 Renewable Corporate Bonds (the First Tranche) ("18 Zijin Y1") with a total principal amount of RMB4,500,000,000 and a coupon rate of 5.17% for the first period. The remaining balance of RMB4,486,950,000 after deducting issuance expenses was recognised in other equity instruments.

The base period of 18 Zijin Y1 is 3 years. At the end of the base period and the end of each renewal period, the Group has an option to renew the bonds for one more period (i.e., 3 years). The renewable corporate bonds will mature when the Group does not exercise the renewal option and redeems the bonds in full amount.

18 Zijin Y1 applies a fixed interest rate on an annual basis, instead of a compound interest rate. In case of deferral, each deferred interest is accrued at the prevailing coupon rate during the deferred period. The coupon rate inquiry range for the first base period of 18 Zijin Y1 is 4.3%-5.8%. The final coupon rate for the first base period will be determined by the Group and the bookkeeping manager within the preset range according to the book building conditions. The coupon rate is fixed for the first base period and will be reset at each subsequent period. The coupon rate for the first base period is the initial benchmark rate plus the initial interest rate margin, and the coupon rates of the subsequent periods will be adjusted to the prevailing benchmark interest rate plus initial interest rate margin and 300 basis points. The initial interest rate margin is the coupon rate of the first period minus the initial benchmark interest rate. If the prevailing benchmark interest rate is unavailable at the interest rate reset date due to factors such as macroeconomic and policy changes in the future, the benchmark interest rate prior to the interest rate reset date is deemed to be the prevailing benchmark interest rate. The determination method of the benchmark interest rates: the initial benchmark interest rate shall be the arithmetic mean of the yield of the Chinese government bond with maturity equals to the length of the initial period as shown in the China Bond Inter-bank Fixed Rate Chinese Government Bond Yield Curve published on the China Bond Information Website (www.chinabond.com.cn) (or other websites as recognised by China Central Depository & Clearing Co. Ltd.) 250 working days before the book building date (rounded to 0.01%). The benchmark interest rates for the subsequent periods shall be the arithmetic mean of the yield of the Chinese government bond with maturity equals to the length of the initial period as shown in the China Bond Inter-bank Fixed Rate Chinese Government Bond Yield Curve published on the China Bond Information Website (www.chinabond.com.cn) (or other websites as recognised by China Central Depository & Clearing Co. Ltd.) 250 working days before the date of coupon rate reset (rounded to 0.01%).

On 12 September 2017, the Group publicly issued 2017 Renewable Corporate Bonds (the First Tranche) ("17 Zijin Y1") with a total principal amount of RMB500,000,000 and a coupon rate of 5.17% for the first period. The remaining balance of RMB498,550,000 after deducting issuance expenses was recognised as other equity instruments.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

41. Other equity instruments *(continued)*

Note 1: (1) Basic information on renewable corporate bonds issued and outstanding *(continued)*

The base period of 17 Zijin Y1 is 3 years. At the end of the base period and the end of each renewal period, the Group has an option to renew the bonds for one more period (i.e., 3 years). The renewable corporate bonds will mature when the Group does not exercise the renewal option and redeems the bonds in full amount.

17 Zijin Y1 applies a fixed interest rate on an annual basis, instead of a compound interest rate. In case of deferral, each deferred interest is accrued at the prevailing coupon rate during the deferred period. The coupon rate inquiry range for the first base period of 17 Zijin Y1 is 4.8%-5.8%. The final coupon rate for the first base period will be determined by the Group and the bookkeeping manager within the preset range according to the book building conditions. The coupon rate is fixed for the first base period and will be reset at each subsequent period. The coupon rate for the first base period is the initial benchmark rate plus the initial interest rate margin, and the coupon rates of the subsequent periods will be adjusted to the prevailing benchmark interest rate plus initial interest rate margin and 300 basis points. The initial interest rate margin is the coupon rate of the first period minus the initial benchmark interest rate. If the prevailing benchmark interest rate is unavailable at the interest rate reset date due to factors such as macroeconomic and policy changes in the future, the benchmark interest rate prior to the interest rate reset date is deemed to be the prevailing benchmark interest rate. The determination method of the benchmark interest rates: the initial benchmark interest rate shall be the arithmetic mean of the yield of the Chinese government bond with maturity equals to the length of the initial period as shown in the China Bond Inter-bank Fixed Rate Chinese Government Bond Yield Curve published on the China Bond Information Website (www.chinabond.com.cn) (or other websites as recognised by China Central Depository & Clearing Co. Ltd.) 250 working days before the book building date (rounded to 0.01%). The benchmark interest rates for the subsequent periods shall be the arithmetic mean of the yield of the Chinese government bond with maturity equals to the length of the initial period as shown in the China Bond Inter-bank Fixed Rate Chinese Government Bond Yield Curve published on the China Bond Information Website (www.chinabond.com.cn) (or other websites as recognised by China Central Depository & Clearing Co. Ltd.) 250 working days before the date of coupon rate reset (rounded to 0.01%).

17 Zijin Y1 matured and was redeemed in full amount in September 2020.

(2) Movements of renewable corporate bonds issued and outstanding:

30 June 2021

	At 1 January 2021		Additions		Reductions		At 30 June 2021	
	Quantity	Book value (RMB)	Quantity	Book value (RMB)	Quantity	Book value (RMB)	Quantity	Book value (RMB)
18 Zijin Y1	45,000,000	4,486,950,000	-	-	-	-	45,000,000	4,486,950,000

31 December 2020

	At 1 January 2020		Additions		Reductions		At 31 December 2020	
	Quantity	Book value (RMB)	Quantity	Book value (RMB)	Quantity	Book value (RMB)	Quantity	Book value (RMB)
18 Zijin Y1	45,000,000	4,486,950,000	-	-	-	-	45,000,000	4,486,950,000
17 Zijin Y1	5,000,000	498,550,000	-	-	5,000,000	498,550,000	-	-
		4,985,500,000		-		498,550,000		4,486,950,000

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

42. Capital reserve

30 June 2021

	At 1 January 2021	Additions	Reductions	At 30 June 2021
Share premium (Note 1)	18,515,222,263	6,450,498,589	–	24,965,720,852
Others (Note 2)	94,861,811	98,994,391	(62,001,283)	131,854,919
	18,610,084,074	6,549,492,980	(62,001,283)	25,097,575,771

31 December 2020

	At 1 January 2020	Additions	Reductions	At 31 December 2020
Share premium	18,515,222,263	–	–	18,515,222,263
Others (Note 3)	175,120,137	2,740,782	(82,999,108)	94,861,811
	18,690,342,400	2,740,782	(82,999,108)	18,610,084,074

Note 1: The Company implemented restricted A Share incentive scheme, the actual net amount of subscription received was RMB474,903,970, among which, the registered capital increased by RMB9,598,060 and the share premium in capital reserve increased by RMB465,305,910.

The Company's publicly issued A Share convertible corporate bonds became convertible starting from 10 May 2021 and ceased trading and share conversion on 28 June 2021. The share capital of Renminbi-denominated ordinary A Shares increased by RMB85,436,169 in total and the share premium in capital reserve increased by RMB5,985,192,679.

Note 2: The Company implemented restricted A Share incentive scheme. For the six months ended 30 June 2021, the accumulated incentive cost amortised was RMB98,994,391.

The Group acquired equity interest owned by the non-controlling shareholders of Yunnan Zixing Mining Investment Co., Ltd. ("Yunnan Zixing"), which decreased the capital reserve by RMB62,001,283.

Note 3: In 2020, the Group acquired equity interest owned by the non-controlling shareholders of Fuyun Jinshan Mining Co., Ltd. ("Fuyun Jinshan"), which decreased the capital reserve by RMB75,650,192. The Group acquired equity interest owned by the non-controlling shareholders of Fujian Zijin Precious Metal Materials Co., Ltd., which decreased the capital reserve by RMB7,348,916. The capital contribution from the non-controlling shareholders of Xiamen Strait Gold Jewellery Industrial Park Co., Ltd. increased the capital reserve by RMB2,740,782.

43. Treasury shares

30 June 2021

	At 1 January 2021	Additions	Reductions	At 30 June 2021
Repurchase obligations relating to restricted A Shares	–	475,103,970	(11,517,672)	463,586,298

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

43. Treasury shares *(continued)*

On 13 January 2021, the Company granted restricted A Shares to the participants of the incentive scheme under the first grant. The registration of the shares granted under the first grant at China Securities Depository and Clearing Company Limited Shanghai Branch was completed on 28 January 2021. The actual total number of restricted A Shares granted under the first grant was 95,980,600. The grant price was RMB4.95 per A Share. The total subscription amount received from the participants under the incentive scheme was RMB475,103,970.

Pursuant to the stipulations of the incentive scheme, adjustments shall be made to the repurchase price according to the dividend distributed, i.e., if the unlocking conditions are not met, holders whom the restricted A Shares are repurchased will not be entitled to (or will be required to return) the cash dividend receivable (or received) during the vesting period. Pursuant to the resolution of the shareholders' general meeting on 28 May 2021, the Company distributed cash dividends of RMB0.12 per share to all shareholders, and the repurchase obligations relating to restricted A Shares correspondingly decreased by RMB11,517,672.

44. Other comprehensive income

The accumulated balance of other comprehensive income attributable to owners of the parent in the consolidated statement of financial position is as follows:

30 June 2021

	Opening balance	Movements			Closing balance
		Amount before tax	Income tax	Amount after tax	
Changes in fair value of other equity instrument investments and other investments (Note 1)	2,248,558,852	1,960,957,478	(3,590,253)	1,957,367,225	4,205,926,077
Hedging costs – forward elements	1,777,642	1,834,614	-	1,834,614	3,612,256
Exchange differences arising from translation of financial statements denominated in foreign currencies	(1,437,765,795)	(374,940,825)	-	(374,940,825)	(1,812,706,620)
	812,570,699	1,587,851,267	(3,590,253)	1,584,261,014	2,396,831,713

31 December 2020

	Opening balance	Movements			Closing balance
		Amount before tax	Income tax	Amount after tax	
Changes in fair value of other equity instrument investments and other investments (Note 1)	95,489,647	2,277,410,080	(124,340,875)	2,153,069,205	2,248,558,852
Hedging costs – forward elements	(3,839,794)	5,617,436	-	5,617,436	1,777,642
Exchange differences arising from translation of financial statements denominated in foreign currencies	(565,579,062)	(872,186,733)	-	(872,186,733)	(1,437,765,795)
	(473,929,209)	1,410,840,783	(124,340,875)	1,286,499,908	812,570,699

Note 1: The changes in fair value were mainly due to the change in fair value of the stocks of Ivanhoe.

Notes to Financial Statements *(continued)*

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)***V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** *(continued)***44. Other comprehensive income** *(continued)*

Total amount of other comprehensive income recognised in the statement of profit or loss during the current period:

For the six months ended 30 June 2021

	Amount before tax	Less: Amount of other comprehensive income recognised in the previous periods transferred into profit or loss during the current period	Less: Amount of other comprehensive income recognised in the previous periods transferred into retained earnings during the current period	Less: Income tax	Attributable to the parent	Attributable to non-controlling interests
Other comprehensive income that will not be reclassified to profit or loss						
Changes in fair value of other equity instrument investments and other investments	1,956,964,226	-	-	2,991,018	1,957,367,225	(3,394,017)
Other comprehensive income that may be reclassified to profit or loss						
Hedging costs – forward elements	14,797,450	8,689,349	-	-	1,834,614	4,273,487
Exchange differences arising from translation of financial statements denominated in foreign currencies	(484,010,447)	-	-	-	(374,940,825)	(109,069,622)
	1,487,751,229	8,689,349	-	2,991,018	1,584,261,014	(108,190,152)

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

44. Other comprehensive income *(continued)*

Total amount of other comprehensive income recognised in the statement of profit or loss during the current period:
(continued)

For the six months ended 30 June 2020

	Amount before tax	Less: Amount of other comprehensive income recognised in the previous periods transferred into profit or loss during the current period	Less: Amount of other comprehensive income recognised in the previous periods transferred into retained earnings during the current period	Less: Income tax	Attributable to the parent	Attributable to non-controlling interests
Other comprehensive income that will not be reclassified to profit or loss						
Changes in fair value of other equity instrument investments and other investments	(426,833,753)	-	-	(5,018,205)	(421,363,440)	(452,108)
Other comprehensive income that may be reclassified to profit or loss						
Hedging costs – forward elements	(4,313,168)	6,874,371	-	-	(11,860,837)	673,298
Exchange differences arising from translation of financial statements denominated in foreign currencies	(232,585,401)	-	-	-	(308,315,301)	75,729,900
	(663,732,322)	6,874,371	-	(5,018,205)	(741,539,578)	75,951,090

45. Special reserve

30 June 2021

	At 1 January 2021	Additions	Reductions	At 30 June 2021
Work safety fund	154,686,505	375,237,523	(351,366,284)	178,557,744

31 December 2020

	At 1 January 2020	Additions	Reductions	At 31 December 2020
Work safety fund	120,952,216	684,823,390	(651,089,101)	154,686,505

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

46. Surplus reserve

30 June 2021

	At 1 January 2021	Additions	Reductions	At 30 June 2021
Statutory surplus reserve	1,319,401,104	–	–	1,319,401,104

31 December 2020

	At 1 January 2020	Additions	Reductions	At 31 December 2020
Statutory surplus reserve	1,319,401,104	–	–	1,319,401,104

Pursuant to the stipulations of the Company Law of the PRC and the articles of associations of the Company, the Company shall make provision for statutory surplus reserve at the amount of 10% of net profit. Provision for statutory surplus reserve is optional if the aggregate balance of the statutory surplus reserve reaches 50% of the Company's registered capital. The balance of the statutory surplus reserve has reached 50% of the Company's registered capital. Therefore, no provision for statutory surplus reserve was made.

The Company can make provision for a discretionary surplus reserve after the provision for statutory surplus reserve is made. Discretionary surplus reserve can be used to offset accumulated losses for previous years or to issue share capital upon approval.

47. Retained earnings

	30 June 2021	31 December 2020
As at the beginning of the year	27,748,404,618	24,005,972,520
Net profit attributable to owners of the parent	6,649,028,398	6,508,553,913
Other comprehensive income transferred into retained earnings	–	30,104,180
Less: Interest payable on renewable corporate bonds	–	258,500,000
Dividends payable in cash for ordinary shareholders	3,159,312,269	2,537,725,995
As at the end of the period	31,238,120,747	27,748,404,618

Pursuant to the resolution of the shareholders' general meeting on 28 May 2021, cash dividend of RMB0.12 per share (2020: RMB0.10 per share) would be distributed by the Company to all shareholders, calculated on the basis of 26,327,602,240 issued shares (2020: 25,377,259,946 shares), with an aggregate amount of RMB3,159,312,269 (2020: RMB2,537,725,995).

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

48. Operating income and operating costs

	For the six months ended 30 June 2021		For the six months ended 30 June 2020	
	Operating income	Operating costs	Operating income	Operating costs
Principal operations	108,509,032,787	92,827,084,698	82,202,143,642	73,240,884,302
Other operations	1,354,328,907	1,130,206,660	940,118,472	775,401,629
	109,863,361,694	93,957,291,358	83,142,262,114	74,016,285,931

49. Taxes and surcharges

	For the six months ended 30 June 2021	For the six months ended 30 June 2020
City construction and maintenance tax	38,100,915	25,695,189
Resource tax	992,178,505	786,820,726
Education surcharges	53,893,939	33,777,717
Property tax	37,433,608	33,864,910
Land use tax	11,509,246	11,424,664
Stamp duty	51,231,519	31,223,430
Environmental protection tax	10,462,518	4,746,019
Local development fund	16,937,256	16,123,864
Customs tax (Note 2)	32,415,964	24,237,993
Mineral concentrates tax (Note 2)	11,408,072	12,603,298
Road tax (Note 2)	19,840,197	25,462,542
Mine-produced gold income tax (Note 1)	95,496,070	70,651,583
Others	220,455,708	109,487,685
	1,591,363,517	1,186,119,620

Note 1: Mine-produced gold income tax was the tax payable by the Group's overseas subsidiary, Altynken Limited Liability Company ("Altynken"), for the mining and sales of gold mineral products, the tax is imposed on the sales income of gold mineral products ranging at the rate from 1% to 20% depending on the range of gold price.

Note 2: Road tax, customs tax and mineral concentrates tax were the taxes payable by the Group's overseas subsidiary, COMMUS, for the purchase or sales of mineral products.

Notes to Financial Statements *(continued)*

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

50. Selling expenses

	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Salaries and benefits	42,113,761	34,987,098
Transportation expenses	4,793,196	130,143,116
Packing expenses	4,419,868	5,129,670
Insurance expenses	5,416,681	6,123,974
Charge of commission sales	20,018,677	14,558,927
Depreciation and amortisation	10,641,381	13,655,126
Material consumption fees	6,937,817	7,097,521
Service expenses related to sales	64,824,163	51,652,283
Safety measure fees	1,125,476	468,594
Use and maintenance fees for roads	2,520,000	1,500,000
Miscellaneous charges on sales and shipping	18,143,653	18,647,698
Others	38,739,459	46,212,096
	219,694,132	330,176,103

51. Administrative expenses

	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Salaries and benefits	1,346,352,486	931,473,503
Depreciation and amortisation	366,887,201	342,462,956
Exploration expenses	32,024,227	36,144,216
Office expenses	150,999,561	114,629,397
Travelling and conference expenses	56,723,098	35,354,001
Professional consulting expenses	159,868,048	112,622,043
Stipulated fees	46,136,659	5,583,049
Audit fees	14,287,463	12,620,671
Material consumption fees	77,487,744	70,874,095
Property insurance expenses	29,353,663	40,616,413
Others	205,584,559	122,820,020
Total	2,485,704,709	1,825,200,364

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

52. Research and development expenses

	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Salaries and benefits	89,146,058	76,820,332
Depreciation and amortisation	26,889,462	28,497,305
Stipulated fees	16,951	3,839
Technical development fees	67,761,659	41,542,006
Office expenses	10,886,658	14,333,646
Material consumption fees	95,979,569	80,626,165
Others	26,396,784	9,447,652
	317,077,141	251,270,945

53. Financial expenses

	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Interest expenses	1,215,233,865	1,313,229,333
<i>Including: Bank borrowings</i>	804,854,881	<i>944,395,485</i>
<i>Bonds payable</i>	401,144,737	<i>353,639,464</i>
<i>Ultra short-term financing bonds</i>	9,234,247	<i>15,194,384</i>
Less: Interest income	367,135,509	276,774,340
Less: Capitalised interest expenses	204,563,267	187,362,266
Exchange differences	(27,192,208)	(22,974,795)
Bank charges	59,618,181	53,017,166
Amortisation of unrecognised finance expenses (Note 1)	75,351,918	39,014,336
	751,312,980	918,149,434

Note 1: The amount during the period consisted of amortisation of unrecognised interest expenses of provisions of RMB19,829,440, amortisation of interest expenses of lease liabilities of RMB11,962,063, amortisation of unrecognised interest expenses of long-term payables of RMB21,846,959 and amortisation of unrecognised interest expenses of other non-current liabilities of RMB21,713,456.

Capitalised interest expenses for the six months ended 30 June 2021 were included in construction in progress. None of the above interest income was generated from impaired financial assets for the six months ended 30 June 2021 and 30 June 2020.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

54. Other income

	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Government grants relating to daily operating activities	157,534,876	151,750,120

Government grants relating to daily operating activities for the six months ended 30 June 2021 are as follows:

	For the six months ended 30 June 2021	Related to income/assets
Alloy gold award	36,690,800	Related to income
COVID-19 subsidies	16,056,962	Related to income
Tax return	10,000,000	Related to income
Research and development fund	9,473,280	Related to income
Subsidies for VAT	8,468,891	Related to income
Incentives for enterprises included in the list of government statistics department	8,191,955	Related to income
Export incentives	4,757,090	Related to income
Real estate and land tax rebates	3,274,508	Related to income
Government subsidies and rewards	2,997,016	Related to income
Rebates of the handling fees for individual income tax	2,468,282	Related to income
Subsidies for talents	1,505,160	Related to income
Subsidies for social security	1,379,126	Related to income
Reduction in resource tax	1,189,470	Related to income
Government work-based training fund	1,146,000	Related to income
Development of precious metal target materials	1,087,880	Related to income
Subsidies for employment security	1,080,324	Related to income
Rewards for wholesale and retail increment for 2020	1,013,492	Related to income
County-level enterprises incremental incentive support funds from the Ministry of Commerce	1,000,000	Related to income
Other government grants directly recognised in other income	12,345,338	Related to income
Other government grants transferred from deferred income	33,409,302	Related to assets
	157,534,876	

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

54. Other income *(continued)*

Government grants relating to daily operating activities for the six months ended 30 June 2020 are as follows:

	For the six months ended 30 June 2020	Related to income/assets
Alloy gold award	34,391,400	Related to income
Government subsidies	21,044,595	Related to income
Enterprise's research and development subsidies for 2018	9,711,700	Related to income
Export incentives	7,411,043	Related to income
Subsidies for employment security	5,349,351	Related to income
Reward for output value exceeding RMB20 billion for the first time for 2018 (Industry, Information Technology, Science and Technology Bureau of Shanghang County)	5,000,000	Related to income
Special allowance for foreign investment and cooperation for 2019	4,000,000	Related to income
Subsidies for social security	3,850,141	Related to income
Subsidies for research and development	2,356,700	Related to income
Rebates of the handling fees for withholding individual income tax	2,222,002	Related to income
Financial subsidies for copper trading	1,555,769	Related to income
Reward for industrialisation and informatisation integration management system meeting the standards	1,000,000	Related to income
Other government grants directly recognised in other income	13,917,795	Related to income
Other government grants transferred from deferred income	39,939,624	Related to assets
	151,750,120	

55. Investment income

	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Income from long-term equity investments under the equity method	573,589,107	89,172,185
(Losses)/Income on disposal of long-term equity investments	(3,558,508)	1,093,075
Dividend income from other equity instrument investments during the holding period	28,954,600	17,331,900
Losses on disposal of financial assets and liabilities at fair value through profit or loss (Note 1)	(18,247,547)	(83,302,738)
Others	6,202,581	2,945,226
	586,940,233	27,239,648

Notes to Financial Statements *(continued)*

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*55. Investment income *(continued)*

Note 1: Details of losses on disposal of financial assets and liabilities at fair value through profit or loss are as follows:

	For the six months ended 30 June 2021	For the six months ended 30 June 2020
1. Held for trading equity instrument investments - Income/ (Losses) arising from stock investments	92,635,913	(36,391,326)
2. Investment losses arising from gold leasing at fair value	(16,720,756)	(307,448)
3. Investment losses arising from derivative instruments without designated hedging relationship	(116,185,226)	(87,099,578)
(3-1) Foreign currency forward contracts	254,996,746	(27,550,265)
(3-2) Commodity hedging contracts	(371,181,972)	(59,549,313)
4. Investment (losses)/income from derivative instruments with designated hedging relationship	(8,443,257)	13,715,254
5. Others	30,465,779	26,780,360
	(18,247,547)	(83,302,738)

56. Losses on changes in fair value

	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Financial assets at fair value through profit or loss	28,791,567	(140,100,310)
Financial liabilities at fair value through profit or loss	(178,641,227)	(86,716,088)
	(149,849,660)	(226,816,398)

Details of losses on changes in fair value are as follows:

	For the six months ended 30 June 2021	For the six months ended 30 June 2020
1. Held for trading equity instrument investments - (Losses)/ Gains arising from changes in fair value of stock investments	(79,662,291)	91,986,155
2. Gains/(Losses) arising from changes in fair value of gold leasing at fair value	40,639,392	(51,217,230)
3. Hedging instruments - Gains arising from changes in fair value of ineffectively hedged derivative instruments	-	3,596,533
4. Losses arising from changes in fair value of derivative instruments without designated hedging relationship	(109,299,847)	(276,803,830)
(4-1) Foreign currency forward contracts	(206,032,247)	1,859,240
(4-2) Commodity hedging contracts	84,204,761	(207,307,902)
(4-3) Others	12,527,638	(71,355,168)
5. Others	(1,526,914)	5,621,974
	(149,849,660)	(226,816,398)

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

57. Credit impairment gains

	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Bad debt provision for trade receivables	(1,615,640)	4,868,064
Bad debt provision for other receivables	9,301,239	(4,109,113)
Reversal of credit losses for financial guarantee contracts (Note V.37)	588,878,419	–
	596,564,018	758,951

58. Impairment losses on assets

	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Impairment provision for fixed assets	–	(129,439,981)
Provision for decline in value of inventories	(88,510,684)	(55,410,762)
Impairment provision for intangible assets	–	(10,316,081)
Impairment provision for long-term equity investments	–	(5,224,244)
Impairment provision for prepayments	(9,200,000)	–
Impairment provision for other non-current assets	–	(11,006,923)
	(97,710,684)	(211,397,991)

59. (Losses)/Gains on disposal of non-current assets

	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Gains on disposal of fixed assets	259,709	3,034,549
Gains on disposal of intangible assets	566,038	122,642
Losses on disposal of other non-current assets	(1,724,565)	–
	(898,818)	3,157,191

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)***V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** *(continued)***60. Non-operating income**

	For the six months ended 30 June 2021	For the six months ended 30 June 2020	Non-recurring profit or loss for the six months ended 30 June 2021
Penalty income	8,116,935	6,585,914	8,116,935
Waiver of debts	164,604	15,593,783	164,604
Others	20,755,306	31,328,875	20,755,306
	29,036,845	53,508,572	29,036,845

61. Non-operating expenses

	For the six months ended 30 June 2021	For the six months ended 30 June 2020	Non-recurring profit or loss for the six months ended 30 June 2021
Losses on write-off of non-current assets	39,729,804	150,908,702	39,729,804
Donations	123,570,917	103,838,564	123,570,917
Penalties, compensations and overdue charges	13,942,472	3,192,440	13,942,472
Losses on stock counting	–	82,571	–
Others	15,683,637	60,720,019	15,683,637
	192,926,830	318,742,296	192,926,830

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

62. Income tax expenses

	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Current income tax expenses	2,680,882,020	973,972,835
Deferred tax expenses	(121,775,389)	29,550,502
	2,559,106,631	1,003,523,337

Reconciliation of income tax expenses to profit before tax is as follows:

	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Profit before tax	11,469,607,837	4,094,517,514
Tax at the applicable tax rate (Note 1)	2,867,401,959	1,023,629,379
Effect of different tax rates applicable to certain subsidiaries (Note 1)	(475,573,936)	(221,949,513)
Adjustments in respect of current tax of previous periods	64,090,455	(9,082,971)
Income not subject to tax	(103,761,761)	(24,192,063)
Effect of unrecognised deductible temporary differences and deductible tax losses	206,949,914	235,118,505
Tax charge at the Group's effective tax rate	2,559,106,631	1,003,523,337

Note 1: Provision for the PRC corporate income tax expenses has been made at the applicable tax rate based on the estimated taxable profits. Provision for Hong Kong profits tax expenses has been made at the applicable tax rate based on the assessable profits for the reporting period. Taxes on profits assessable elsewhere have been calculated at the prevailing tax rates and in accordance with current laws, interpretations and customs in the countries/jurisdictions in which the Group operates.

63. Earnings per share

	For the six months ended 30 June 2021 RMB/share	For the six months ended 30 June 2020 RMB/share
Basic earnings per share Continuing operations	0.262	0.095
Diluted earnings per share Continuing operations	0.262	0.095

Basic earnings per share is calculated by dividing the consolidated net profit for the current period attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

64. Note to the statement of cash flows

	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Other cash receipts relating to operating activities		
Interest income	62,777,132	59,190,647
Government grants	105,140,751	132,084,399
Cash received from guarantees and deposits	–	29,394,596
Others	41,429,968	111,417,696
	209,347,851	332,087,338
Other cash payments relating to operating activities		
Transportation expenses, insurance expenses, commission charges and other selling expenses	165,089,649	201,297,377
Office expenses, conference expenses and other administrative expenses	646,839,986	548,957,560
Donations	108,284,112	93,875,511
Losses on the settlement of futures contracts, forward contracts and others	1,991,257,882	221,588,329
	2,911,471,629	1,065,718,777
Other cash receipts relating to investing activities		
Recovered wealth management products	80,000,000	35,700,000
Time deposits with maturity of more than three months	385,367,097	–
Others	20,478,239	4,582,225
	485,845,336	40,282,225
Other cash payments relating to investing activities		
Time deposits with maturity of more than three months	783,344,124	250,000,000
Purchase of wealth management products	555,000,000	682,980,000
Funds for construction and operation of joint venture	825,785,568	1,401,846,438
Others	2,000,000	338,460,000
	2,166,129,692	2,673,286,438
Other cash receipts relating to financing activities		
Borrowings from third parties	–	171,414,710
Others	–	1,090,217
	–	172,504,927

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

64. Note to the statement of cash flows *(continued)*

	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Other cash payments relating to financing activities		
Repayment of loans from third parties prior to acquisition date of Continental Gold	–	2,577,993,196
Repayment of borrowings from third parties	38,931,656	12,880,000
Acquisitions of non-controlling interests of subsidiaries	77,212,100	122,355,000
Bank charges and others	90,722,453	94,657,372
	206,866,209	2,807,885,568

65. Supplementary information to the statement of cash flows

(1) Supplementary information to the statement of cash flows

Reconciliation of net profit to net cash flows from operating activities:

	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Net profit	8,910,501,206	3,090,994,177
Add: Provisions for asset impairment	(498,853,334)	210,639,040
Depreciation and amortisation of investment properties	3,224,020	3,250,927
Depreciation of fixed assets	2,810,868,271	2,481,173,387
Depreciation of right-of-use assets	45,712,585	73,929,326
Amortisation of intangible assets	784,616,404	506,252,699
Amortisation of long-term deferred assets	233,654,675	207,354,198
Losses on the disposal of fixed assets, intangible assets and other long-term assets	898,818	147,751,511
Losses on write-off of fixed assets	39,729,804	–
Losses from changes in fair value	149,849,660	226,816,398
Financial expenses	775,466,790	818,647,050
Investment income	(966,565,462)	(77,330,366)
Decrease /(Increase) in deferred tax assets	45,945,942	(83,828,907)
Decrease in deferred tax liabilities	(167,721,332)	(63,645,536)
Decrease /(Increase) in inventories	1,398,031,293	(1,521,180,197)
Increase in receivables from operating activities	(1,461,127,460)	(794,832,749)
(Decrease)/Increase in payables from operating activities	(234,066,384)	1,249,086,210
Others	154,889,857	–
Net cash flows from operating activities	12,025,055,353	6,475,077,168

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*65. Supplementary information to the statement of cash flows *(continued)*(1) Supplementary information to the statement of cash flows *(continued)*

Net changes in cash and cash equivalents:

	30 June 2021	31 December 2020
Closing balance of cash	16,594,133,972	11,627,709,021
Less: Opening balance of cash	11,627,709,021	5,863,202,219
Add: Closing balance of cash equivalents	232,405,429	158,977,219
Less: Opening balance of cash equivalents	158,977,219	222,389,231
Net increase in cash and cash equivalents	5,039,853,161	5,701,094,790

(2) Cash and cash equivalents

	30 June 2021	31 December 2020
Cash	16,594,133,972	11,627,709,021
<i>Including: Cash on hand</i>	10,734,023	6,570,582
<i>Cash at banks that can be readily drawn on demand</i>	16,583,399,949	11,621,138,439
Cash equivalents	232,405,429	158,977,219
Closing balance of cash and cash equivalents at the end of the period	16,826,539,401	11,786,686,240

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

66. Assets with restrictions on title or use

	30 June 2021	31 December 2020
Cash and cash equivalents (Note 1)	486,464,100	168,653,056
Held for trading financial assets (Note 2)	–	80,000,000
Debt investments (Note 3)	250,000,000	250,000,000
Fixed assets (Note 4)	893,122,004	1,650,541,716
Intangible assets (Note 5)	9,598,055,501	13,516,845,568
	11,227,641,605	15,666,040,340

Note 1: As at 30 June 2021, the closing balance of cash and cash equivalents of the Group in Renminbi mainly included: land restoration and environmental rehabilitation costs of RMB71,249,242 (31 December 2020: RMB23,644,758), pursuant to the relevant regulations, the Group provided a deposit for mine restoration and improvement of ecological environment in mines and deposited the fund in a specified bank account. The fund was restricted to the use for land restoration and environmental rehabilitation and environmental protection after mine closure; other guarantee deposits of RMB124,505,470 which were restricted to use (31 December 2020: RMB141,101,118); bank deposits with a carrying amount of RMB4,953 were frozen due to litigation (31 December 2020: RMB3,907,180).

On 23 June 2021, Gold Mountains (H.K.), a subsidiary of the Group, used the certificates of deposit as securities to obtain an import bill financing of USD45,000,000 (equivalent to RMB290,704,435) from the Agricultural Bank of China Shanghang Sub-branch which will mature on 9 December 2021. As at 30 June 2021, the outstanding balance of pledged certificates of deposit was RMB290,704,435 (31 December 2020: Nil).

Note 2: As at 30 June 2021, subsidiaries of the Group did not have pledged structured deposits (31 December 2020: RMB80,000,000).

Note 3: As at 30 June 2020, Shanghang Zijin Metallic Resources Co., Ltd., a subsidiary of the Group, pledged RMB100,000,000 (31 December 2020: RMB100,000,000) of debt investments to the Agricultural Bank of China for bank acceptance bills and issuance of domestic letters of credit, and pledged RMB150,000,000 (31 December 2020: RMB150,000,000) of debt investments to Bank of China for bank acceptance bills.

Note 4: As at 30 June 2021, Julong Copper, a subsidiary of the Group, provided certain fixed assets (a batch of machinery and equipment) as collaterals for a syndicated loan (the lending banks include: the Bank of China Limited Tibet Autonomous Region Branch, Industrial and Commercial Bank of China Limited Tibet Autonomous Region Branch, Agricultural Bank of China Limited Tibet Autonomous Region Branch, Industrial Bank Co., Ltd. Tibet Autonomous Region Branch, Bank of Tibet Co., Ltd. and Zijin Mining Group Finance Co., Ltd), with a total carrying amount of RMB606,603,513 (31 December 2020: RMB1,348,340,869); Bayannur Zijin, a subsidiary of the Group, obtained loans from the China Development Bank Inner Mongolia Autonomous Region Branch for comprehensive utilisation of leaching slag resources from the marmatite hydrometallurgy and the harmless treatment technology project, and provided certain fixed assets (a batch of buildings, machinery and equipment) as collaterals, with a carrying amount of RMB286,518,491 (31 December 2020: RMB302,200,847).

Note 5: As at 30 June 2021, Julong Copper, a subsidiary of the Group, provided intangible assets (including the Qulong and Zhibula mining right permits, Rongmucuola exploration right permit) as collaterals for a syndicated loan (the lending banks include: the Bank of China Limited Tibet Autonomous Region Branch, Industrial and Commercial Bank of China Limited Tibet Autonomous Region Branch, Agricultural Bank of China Limited Tibet Autonomous Region Branch, Industrial Bank Co., Ltd. Tibet Autonomous Region Branch, Bank of Tibet Co., Ltd. and Zijin Mining Group Finance Co., Ltd), with a total carrying amount of RMB9,516,000,000 (31 December 2020: RMB13,442,000,000); the intangible assets (land use rights of the iron smelting plant) of Xinjiang Altay Jinhao Iron Co., Ltd. ("Jinhao Iron"), a subsidiary of the Group, were frozen by the court due to the arrearage case of China 15th Metallurgical Construction, with a carrying amount of RMB82,055,501 (31 December 2020: RMB74,845,568) and a frozen area of 180,694.313 square metres.

Notes to Financial Statements *(continued)*

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

67. Foreign currency monetary items

	30 June 2021			31 December 2020		
	Original currency	Exchange rate	Equivalent to RMB	Original currency	Exchange rate	Equivalent to RMB
Cash and cash equivalents						
HKD	861,328,201	0.8321	716,711,196	30,524,337	0.8416	25,689,282
USD	652,493,157	6.4601	4,215,171,044	565,793,520	6.5249	3,691,746,139
GBP	1,058	8.9410	9,460	1,058	8.8903	9,406
CAD	14,143,748	5.2097	73,684,684	17,918,266	5.1161	91,671,641
AUD	65,374,994	4.8528	317,251,771	89,775,816	5.0163	450,342,426
RUB	30,623,504	0.0888	2,719,367	66,191,172	0.1140	7,545,794
EUR	2,215,581	7.6862	17,029,399	497,409	8.0250	3,991,707
Others	Not applicable	Not applicable	334,884,540	Not applicable	Not applicable	143,355,076
Trade receivables						
AUD	11,561,713	4.8528	56,106,681	4,112,200	5.0163	20,628,029
USD	176,002,436	6.4601	1,136,993,337	93,777,122	6.5249	611,886,343
Others	Not applicable	Not applicable	10,309,944	Not applicable	Not applicable	24,294,998
Other receivables						
USD	46,910,760	6.4601	303,048,201	30,983,695	6.5249	202,165,512
AUD	7,510,506	4.8528	36,446,984	4,617,001	5.0163	23,160,262
CAD	196,302	5.2097	1,022,675	472,135	5.1161	2,415,490
HKD	8,621,815	0.8321	7,174,212	–	–	–
RUB	181,754,737	0.0888	16,139,821	–	–	–
EUR	596,953	7.6862	4,588,300	–	–	–
Others	Not applicable	Not applicable	459,764	Not applicable	Not applicable	873,306
Other non-current assets						
USD	1,408,575,411	6.4601	9,099,538,013	1,247,022,454	6.5249	8,136,696,810
Total foreign currency monetary assets			16,349,289,393			13,436,472,221

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

67. Foreign currency monetary items *(continued)*

	30 June 2021			31 December 2020		
	Original currency	Exchange rate	Equivalent to RMB	Original currency	Exchange rate	Equivalent to RMB
Short-term borrowings USD	1,178,137,959	6.4601	7,610,889,029	847,962,875	6.5249	5,532,872,963
Trade payables						
USD	158,941,384	6.4601	1,026,777,235	153,865,004	6.5249	1,003,953,765
AUD	8,302,843	4.8528	40,292,037	1,756,293	5.0163	8,810,093
Others	Not applicable	Not applicable	43,456,319	Not applicable	Not applicable	40,460,718
Other payables						
USD	210,464,494	6.4601	1,359,621,678	190,882,539	6.5249	1,245,489,479
AUD	43,427,786	4.8528	210,746,360	30,913,240	5.0163	155,070,086
CAD	291,706	5.2097	1,519,701	2,112,412	5.1161	10,807,311
EUR	1,471,109	7.6862	11,307,238	–	–	–
Others	Not applicable	Not applicable	560,508	Not applicable	Not applicable	186,836
Current portion of non-current liabilities USD	725,602,650	6.4601	4,687,465,679	492,053,553	6.5249	3,210,600,228
Long-term borrowings						
USD	3,043,243,277	6.4601	19,659,655,894	2,392,241,277	6.5249	15,609,135,108
HKD	378,290,907	0.8321	314,775,864	–	–	–
Long-term payables USD	111,731,893	6.4601	721,799,202	108,535,503	6.5249	708,183,304
Lease liabilities USD	18,725,036	6.4601	120,965,605	24,637,114	6.5249	160,754,705
Bonds payable USD	155,163,750	6.4601	1,002,373,341	150,000,000	6.5249	978,735,000
Total foreign currency monetary liabilities			36,812,205,690			28,665,059,596

Notes to Financial Statements *(continued)*

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*67. Foreign currency monetary items *(continued)***Information about foreign business entities**

Name of overseas subsidiary	Place of registration and business	Accounting currency	Basis for adoption of accounting currency
Longxing Limited Liability Company ("Longxing")	Russia	USD	Major sales, purchase, financing and other business activities in USD
Joint Venture Zeravshan Limited Liability Company ("Zeravshan")	Tajikistan	USD	Major sales, purchase, financing and other business activities in USD
Alтынкен	Kyrgyzstan	USD	Major sales, purchase, financing and other business activities in USD
COMMUS	DR Congo	USD	Major sales, purchase, financing and other business activities in USD
BNL	Papua New Guinea	USD	Major sales, purchase, financing and other business activities in USD
Norton	Australia	AUD	Major sales, purchase, financing and other business activities in AUD
Nkwe Platinum (South Africa) (Pty) Ltd. ("NKWESA")	South Africa	AUD	Major sales, purchase, financing and other business activities in AUD
Serbia Zijin Copper	Serbia	USD	Major sales, purchase, financing and other business activities in USD
Bisha	Eritrea	USD	Major sales, purchase, financing and other business activities in USD
Serbia Zijin Mining Doo ("Serbia Zijin Mining")	Serbia	USD	Major sales, purchase, financing and other business activities in USD
Rio Blanco Copper S.A.	Peru	USD	Major sales, purchase, financing and other business activities in USD
La Carrière Du Lualaba Société par Actions Simplifiée ("CARRILU")	DR Congo	USD	Major sales, purchase, financing and other business activities in USD
Continental Gold Limited Sucursal Colombia	Colombia	USD	Major sales, purchase, financing and other business activities in USD
AGM Inc.	Guyana	USD	Major sales, purchase, financing and other business activities in USD

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

68. Hedging

Fair value hedge

The Group is engaged in the production and processing of gold, silver, copper and zinc (hereinafter referred to as “precious metals”) products, and the raw materials for precious metal products are exposed to the risk of price changes of precious metals. Therefore, the Group uses precious metals futures contracts and forward contracts in the futures exchanges to manage the commodity price risk faced by some of the raw materials for precious metal products. The precious metal products produced and processed by the Group are the same as the standard precious metal products in the precious metals futures contracts and forward contracts. The basic variables of the hedging instruments (precious metals futures contracts and forward contracts) and the hedged items (the ore concentrates required for the Group to produce precious metal products) are standard precious metal prices. The effect of credit risk does not dominate the value changes. The Group determines the ratio of the number of hedging instruments to the hedged items for silver, copper and zinc is 1.13:1 (containing the effect of VAT) while for gold is 1:1. The Group uses fair value hedges for such hedging, and separates the forward element and the spot element of a forward contract and designates as the hedging instrument only the change in the value of the spot element of the forward contract. Such change is amortised on a systematic and rational basis from the period during which the hedged items could affect profit or loss or other comprehensive income and reclassified from other comprehensive income to profit or loss. During the reporting period, the forward element of hedging costs increased by RMB5,617,436. As at 30 June 2021, the balance of the forward element of hedging costs to be amortised is RMB3,612,256.

The temporal distribution of the nominal amount of the hedging instruments and the average price are as follows:

30 June 2021

	Less than 6 months	6 to 12 months	Over 1 year	Total
Notional amount of gold futures	299,712,298	–	–	299,712,298
Average price of gold futures – RMB/gramme	394	–	–	394
Notional amount of silver futures	108,066,171	–	–	108,066,171
Average price of silver futures – RMB/kilogramme	5,479	–	–	5,479
Notional amount of copper futures	1,763,909,093	–	–	1,763,909,093
Average price of copper futures – RMB/tonne	71,154	–	–	71,154
Notional amount of zinc futures	334,608,550	–	–	334,608,550
Average price of zinc futures – RMB/tonne	22,958	–	–	22,958
Notional amount of gold forward	520,206,336	–	–	520,206,336
Average price of gold forward – RMB/gramme	379	–	–	379
Notional amount of silver forward	664,312,450	–	–	664,312,450
Average price of silver forward – RMB/kilogramme	5,470	–	–	5,470
Notional amount of copper forward	2,855,096,671	–	–	2,855,096,671
Average price of copper forward – RMB/tonne	64,086	–	–	64,086
Notional amount of zinc forward	167,892,185	–	–	167,892,185
Average price of zinc forward – RMB/tonne	18,450	–	–	18,450

Notes to Financial Statements *(continued)*

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*68. Hedging *(continued)***Fair value hedge** *(continued)*

The temporal distribution of the nominal amount of the hedging instruments and the average price are as follows:
(continued)

31 December 2020

	Less than 6 months	6 to 12 months	Over 1 year	Total
Notional amount of gold futures	228,879,612	–	–	228,879,612
Average price of gold futures – RMB/gramme	391	–	–	391
Notional amount of silver futures	169,056,502	–	–	169,056,502
Average price of silver futures – RMB/kilogramme	5,203	–	–	5,203
Notional amount of copper futures	1,804,765,553	–	–	1,804,765,553
Average price of copper futures – RMB/tonne	55,386	–	–	55,386
Notional amount of zinc futures	379,891,350	–	–	379,891,350
Average price of zinc futures – RMB/tonne	21,312	–	–	21,312
Notional amount of gold forward	1,352,880,738	93,781,736	–	1,446,662,474
Average price of gold forward – RMB/gramme	410	413	–	410
Notional amount of silver forward	272,739,385	–	–	272,739,385
Average price of silver forward – RMB/kilogramme	5,179	–	–	5,179
Notional amount of copper forward	2,170,492,923	–	–	2,170,492,923
Average price of copper forward – RMB/tonne	46,595	–	–	46,595
Notional amount of zinc forward	148,692,031	–	–	148,692,031
Average price of zinc forward – RMB/tonne	16,340	–	–	16,340
Notional amount of foreign currency forward	1,198,855,000	–	–	1,198,855,000
Average exchange rate of foreign currency forward – USD to RMB	6.6603	–	–	6.6603

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

68. Hedging *(continued)*

Fair value hedge *(continued)*

Changes in the book value and fair value of hedging instruments are as follows:

30 June 2021

	Notional amount of hedging instruments	Book value of hedging instruments		Line items in the statement of financial position including hedging instruments	Change in fair value of the hedging instruments used for measuring hedge ineffectiveness for 2021
		Assets	Liabilities		
		Fair value hedges Commodity price risk – inventories	6,713,803,753		

31 December 2020

	Notional amount of hedging instruments	Book value of hedging instruments		Line items in the statement of financial position including hedging instruments	Change in fair value of the hedging instruments used for measuring hedge ineffectiveness for 2020
		Assets	Liabilities		
		Fair value hedges Foreign exchange risk – foreign currency liabilities	1,198,855,000		
Commodity price risk – inventories	6,621,179,830	40,002,192	374,789,911	Held for trading financial assets/liabilities	(891,673,706)

Notes to Financial Statements *(continued)*

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*68. Hedging *(continued)*Fair value hedge *(continued)*

The book value of the hedged items and the associated adjustments are as follows:

30 June 2021

	Book value of hedged items		Accumulated fair value adjustments on the hedged item (included in the carrying amount of hedged items)		Line item in the statement of financial position including hedged items	Change in fair value of the hedging instruments used for measuring hedge ineffectiveness for 2021	Cash flow hedge reserve assets
	Assets	Liabilities	Assets	Liabilities			
	Fair value hedges Commodity price risk – inventories	5,361,468,396	–	785,267,550			

31 December 2020

	Book value of hedged items		Accumulated fair value adjustments on the hedged item (included in the carrying amount of hedged items)		Line item in the statement of financial position including hedged items	Change in fair value of the hedging instruments used for measuring hedge ineffectiveness for 2020	Cash flow hedge reserve assets
	Assets	Liabilities	Assets	Liabilities			
	Fair value hedges Foreign exchange risk – foreign currency liabilities (Note 1)	–	1,198,432,557	29,199,769			
Commodity price risk – inventories	6,203,881,254	–	789,281,706	–	Inventories	900,066,639	–

Note 1: The hedged item is a liability incurred by the counterparties within the Group. The exchange gains or losses on the monetary items arising from such transaction cannot be offset in the consolidated financial statements. The enterprise can designate it as a hedged item in the consolidated level. In order to truly and fairly reflect the hedge accounting process, the Group uses the pre-offsetting data of the transaction to present the hedged items.

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

68. Hedging *(continued)*

Fair value hedge *(continued)*

The ineffective portion of the hedges in the changes in fair value of hedging instruments is as follows:

For the six months ended 30 June 2021

Fair value hedges	Ineffective portion of the hedges included in the statement of profit or loss	Ineffective portion of the hedges included in other comprehensive income	Line item in the statement of profit or loss that includes hedge ineffectiveness
Commodity price risk	-	-	Gains/(Losses) on changes in fair value

For the six months ended 30 June 2020

Fair value hedges	Ineffective portion of the hedges included in the statement of profit or loss	Ineffective portion of the hedges included in other comprehensive income	Line item in the statement of profit or loss that includes hedge ineffectiveness
Commodity price risk	3,596,533	-	Gains/(Losses) on changes in fair value

In addition, the Group implements risk management on the purchases and sales of refined and processed metals as well as the sales of other mine-produced metals through forward contracts and futures contracts, in order to avoid the risk of significant fluctuation in the prices of relevant products. The Group implements risk management on exchange rate risk through foreign currency forward contracts, so as to avoid the exchange rate risk borne by the Group. As the abovementioned forward contracts, futures contracts and foreign currency forward contracts were not designated as hedging instruments or were not consistent with the hedge accounting standards, the gains or losses arising from changes in fair value would be directly charged to profit or loss during the period. Please refer to Notes V.56 and 55 for details of the gains or losses arising from changes in fair value and investment income or losses arising from derivative financial instruments without designated hedging relationship.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

VI. CHANGES IN THE SCOPE OF CONSOLIDATION

1. Newly established major subsidiaries

Gold Vision International Limited was established in Hong Kong on 26 March 2021 with a registered capital of HKD1. Jinyu (H.K.), a subsidiary of the Group, holds 100% equity interest in Gold Vision International Limited. As at 30 June 2021, the registered capital and paid-in capital of Gold Vision International Limited were both HKD1. The newly established subsidiary was included in the scope of consolidation during the reporting period. Gold Leader Holdings Limited was established in Hong Kong on 1 April 2021 with a registered capital of HKD1. Gold Mountains (H.K.), a subsidiary of the Group, holds 100% equity interest in Gold Leader Holdings Limited. As at 30 June 2021, the registered capital and paid-in capital of Gold Leader Holdings Limited were both HKD1. The newly established subsidiary was included in the scope of consolidation during the reporting period.

Zijin Mining Trading (Hainan) Co., Ltd. was established in Sanya City, Hainan Province on 26 January 2021 with a registered capital of RMB50,000,000. Zijin Mining Construction Co., Ltd., a subsidiary of the Group, holds 100% equity interest in Zijin Mining Trading (Hainan) Co., Ltd. As at 30 June 2021, the paid-in capital of Zijin Mining Trading (Hainan) Co., Ltd. was RMB34,000,000. The newly established subsidiary was included in the scope of consolidation during the reporting period.

Xiamen Zixin No. 2 Investment Partnership Enterprise (Limited Partnership) ("Zixin No. 2") was established in Xiamen City, Fujian Province on 26 February 2021 with a registered capital of RMB2,501,000,000. The Group holds 20.03% equity interest in Zixin No. 2. Pursuant to the partnership agreement of Zixin No. 2, the decision-making committee of Zixin No. 2 consists of three members, including two appointed by the Group. The resolutions of the decision-making committee are effective only when approved by more than two-thirds (including two-thirds) of the members. In addition, Zijin Mining Group Capital Investment Co., Ltd. ("Zijin Capital"), a subsidiary of the Group, serves as the executive partner of Zixin No. 2. The management of the Group considers that the Group can exercise control over Zixin No. 2 and therefore the newly established subsidiary was included in the scope of consolidation during the reporting period. As at 30 June 2021, the registered capital and paid-in capital of Zixin No. 2 were both RMB2,501,000,000.

Zijin Mining Ziniu (Xiamen) Industry Investment Fund Partnership Enterprise (Limited Partnership) was established in Xiamen City, Fujian Province on 8 April 2021 with a registered capital of RMB216,610,000. Zijin Mining Equity Investment Management (Xiamen) Co., Ltd., a subsidiary of the Group, holds 92.3318% equity interest in Zijin Mining Ziniu (Xiamen) Industry Investment Fund Partnership Enterprise (Limited Partnership). As at 30 June 2021, the paid-in capital of Zijin Mining Ziniu (Xiamen) Industry Investment Fund Partnership Enterprise (Limited Partnership) was RMB131,366,000. The newly established subsidiary was included in the scope of consolidation during the reporting period.

Zijin Mining Overseas Investment Co., Ltd. was established in Sanya City, Hainan Province on 8 March 2021 with a registered capital of RMB600,000,000. Zijin International Holdings Co., Ltd., a subsidiary of the Group, holds 100% equity interest in Zijin Mining Overseas Investment Co., Ltd. As at 30 June 2021, the paid-in capital of Zijin Mining Overseas Investment Co., Ltd. was RMB560,000,000. The newly established subsidiary was included in the scope of consolidation during the reporting period.

Zijin Gold Technology (Hainan) Co., Ltd. was established in Sanya City, Hainan Province on 16 April 2021 with a registered capital of RMB300,000,000. Zijin International Holdings Co., Ltd., a subsidiary of the Group, holds 100% equity interest in Zijin Gold Technology (Hainan) Co., Ltd. As at 30 June 2021, the paid-in capital of Zijin Gold Technology (Hainan) Co., Ltd. was RMB19,000,000. The newly established subsidiary was included in the scope of consolidation during the reporting period.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

VI. CHANGES IN THE SCOPE OF CONSOLIDATION *(continued)*

2. Deregistered subsidiaries

Company name	Place of registration	Principal activities	Proportion of equity attributable to the Group	Proportion of voting right attributable to the Group	Reason for deconsolidation
Fujian Zijin Trading Co., Ltd.	Shanghang County	Trading	100%	100%	Deregistration
Malipo Jinhua Mining Co., Ltd.	Malipo County, Wenshan Prefecture	Development and production of mineral products	53%	53%	Deregistration
Zijin Jinhang E-Commerce Co., Ltd. (Shenzhen)	Shenzhen City	Trading of non-ferrous metals and precious metal mineral products	100%	100%	Deregistration

VII. INVESTMENTS IN OTHER ENTITIES

1. Investments in subsidiaries

(1) Major subsidiaries acquired by establishment or investment

Company name	Principal place of business	Place of registration	Principal activities	Registered capital	Proportion of ownership interest	
					Direct	Indirect
Gold Mountains (H.K.) (Note 1)	Hong Kong	Hong Kong	Trading and investment	HKD27,030,724,000	100%	-
Heilongjiang Zijin Copper Co., Ltd.	Qiqihar City, Heilongjiang Province	Qiqihar City, Heilongjiang Province	Milling, refining, processing, sale and research, development, consultation, service and transfer of refining technology of copper, gold, silver, other non-ferrous metals and non-metals	RMB1,087,900,000	-	100%
Zijin Europe	Hong Kong	Hong Kong	Financing; investment	HKD2,734,620,001	-	100%
Zijin International Capital Company Limited	Hong Kong	Hong Kong	Bond issuance; financing	USD10,000,000	-	100%
Finance Company	Shanghang County, Longyan City, Fujian Province	Shanghang County, Longyan City, Fujian Province	Assisting member units to settle payments; entrusted loans and investment, bill acceptance and discounting, internal account settlement and clearing among member units; acceptance of deposits from member units; application for loans and finance leases among member units; intercompany borrowings; investment; investment in securities (excluding stocks traded in the secondary market), etc.	RMB668,595,500	95%	-
Zijin Capital	Xiamen City, Fujian Province	Xiamen City, Fujian Province	Entrusted management of non-security equity investments and related consultancy services; entrusted management and operation of equity investment funds and provision of consultancy services; investment and asset management; spot gold sales; wholesale of metals and ores; trade agency service, etc.	RMB1,000,000,000	100%	-
Zijin Mining Group Gold Smelting Co., Ltd.	Shanghang County, Longyan City, Fujian Province	Shanghang County, Longyan City, Fujian Province	Refining and sale of gold; processing and sale of gold, silver and platinum products; non-ferrous metal alloy manufacturing; precious metal rolling processing; metallurgical engineering technology research services; import and export of goods or technology, etc.	RMB100,000,000	-	100%
Duobaoshan Copper Industry	Heihe City, Heilongjiang Province	Heihe City, Heilongjiang Province	Mining of copper ore; processing and sale of mineral products; mining technology development, consultation, transfer, etc.	RMB2,000,000,000	-	100%

Note 1: From January to June 2021, the Company increased the capital of Gold Mountains (H.K.), a subsidiary of the Company, by injecting cash of HKD2,141,018,000. After the capital increase, the registered capital of Gold Mountains (H.K.) became HKD27,030,724,000.

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*VII. INVESTMENTS IN OTHER ENTITIES *(continued)*1. Investments in subsidiaries *(continued)*

(2) Major subsidiaries acquired by business combinations not involving enterprises under common control

Company name	Principal place of business	Place of registration	Principal activities	Registered capital	Proportion of ownership interest	
					Direct	Indirect
Ashele Copper	Altay City, Xinjiang Uyghur Autonomous Region	Altay City, Xinjiang Uyghur Autonomous Region	Exploration and development of geological and mineral resources; production, processing and sale of mineral products; technological services of geological mining; motor transportation, environmental protection, development of tourism and hotel investment	RMB250,000,000	-	51%
Norton	Australia	Australia	Production of gold; geological and mineral resources exploration and related information and technical services	AUD186,844,557	-	100%
Bayannur Zijin	Bayannur City, Inner Mongolia	Bayannur City, Inner Mongolia	Refining, mining, milling and processing of zinc and other non-ferrous metals, ferrous metals and energy mineral resources; sale of mineral products	RMB375,000,000	87.20%	-
Zijin Copper	Shanghang County, Longyan City, Fujian Province	Shanghang County, Longyan City, Fujian Province	Refining and sale of copper cathode, gold, silver, crude selenium; manufacturing and sale of sulphuric acid for industrial use and copper sulphate	RMB2,221,402,200	-	100%
Luoyang Zijin Yinhui Gold Refinery Co., Ltd. ("Zijin Yinhui")	Luoyang City, Henan Province	Luoyang City, Henan Province	Refining of gold and silver; testing and examination; purchase of gold ore; gold transaction agency; sale of mineral products and mining pit design and research	RMB150,000,000	70%	-
Hunchun Zijin	Hunchun City, Jilin Province	Hunchun City, Jilin Province	Mining, milling, refining and processing of gold, copper and other non-ferrous metal and non-metallic mineral products; sale of mineral products; mineral resources exploration information and technical services	RMB150,000,000	-	100%
Longxing	Russia	Russia	Mining of zinc-lead ore; refining and processing; sale of mineral products	RUB700,000,000	-	70%
Zijin Zinc	Wuqia County, Kizilsu Kyrgyz Prefecture, Xinjiang	Wuqia County, Kizilsu Kyrgyz Prefecture, Xinjiang	Exploration and development of the Wulugan Lead and Zinc Mine in Wuqia County	RMB500,000,000	-	100%
Serbia Zijin Copper	Serbia	Serbia	Mining, processing, refining of ferrous metals, non-ferrous metals, precious metals and other metals	RSD39,414,455,845	-	63%
Bisha	Eritrea	Eritrea	Mining, refining and processing of zinc and copper ore; sale of mineral products	USD64,296,314	-	55%
Serbia Zijin Mining	Serbia	Serbia	Mining, refining and processing of copper and gold ore; sale of mineral products	RSD4,929,947,027	-	100%
Continental Gold Limited Sucursal Colombia	Colombia	Colombia	Mining, refining and processing of gold and silver ore; sale of mineral products	11,238,405,220 Colombian Peso	-	69.28%
AGM Inc.	Guyana	Guyana	Mining, refining and processing of gold and silver ore; sale of mineral products	USD63,000,500	-	100%
Julong Copper	Lhasa City, Tibet Autonomous Region	Maizhokunggar County, Lhasa City, Tibet Autonomous Region	Sale of mineral products; mining equipment, smelting equipment, geological prospecting and construction; mining, refining, smelting, processing and product sales and services of non-ferrous metals, etc.	RMB5,019,800,000	-	50.1%

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

VII. INVESTMENTS IN OTHER ENTITIES *(continued)*

1. Investments in subsidiaries *(continued)*

Details of the Group's subsidiaries that have material non-controlling interests are set out below:

30 June 2021

	Percentage of equity interest held by non-controlling shareholders	Profit/(Loss) for the period attributable to non-controlling shareholders	Dividend paid to non-controlling shareholders	Accumulated balances of non-controlling interests at the end of the reporting period
Serbia Zijin Copper	37.00%	266,054,288	–	1,959,387,536
Xiamen Zijin Tongguan Investment Development Company Limited (“Zijin Tongguan”)	49.00%	(9,326,012)	–	1,002,544,484
Ashele Copper	49.00%	351,739,928	(245,000,000)	1,569,341,271
Bisha	45.00%	176,138,427	(116,568,353)	1,208,881,218
Xinjiang Jinbao	44.00%	348,565,452	(352,000,000)	1,302,500,269
Guizhou Zijin Mining Co., Ltd. (“Guizhou Zijin”)	44.00%	45,065,483	(13,600,000)	453,734,106
Hei Longxing	30.00%	48,004,045	–	243,506,382
Luoyang Kunyu Mining Co., Ltd. (“Luoyang Kunyu”)	30.00%	18,955,961	(15,000,000)	322,559,443
Wenshan Malipo Zijin Tungsten Group Co., Ltd. (“Malipo Tungsten Group”)	23.08%	(17,053,579)	–	190,100,893
Yunnan Huaxi	47.00%	74,909	–	203,056,704
Bayannur Zijin	12.80%	16,021,153	–	193,567,969
Altynken	40.00%	117,758,656	–	599,182,190
Jinhao Iron	43.40%	(23,267,984)	–	(1,283,270,211)
Zijin America	30.72%	12,597,710	–	2,820,879,801
Julong Copper	49.90%	386,031,132	–	4,835,409,174
Zixin No.1	79.98%	67,980,354	(67,451,389)	3,182,337,052
Zixin No.2	79.97%	(27,581,507)	–	2,027,581,507
Others		483,714,392	(65,585,816)	701,216,054
Total		2,261,472,808	(875,205,558)	21,532,515,842

Notes to Financial Statements (continued)

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

	30 June 2021					31 December 2020						
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Serbia Zijin Copper	4,703,575,145	7,564,426,972	12,268,002,117	(1,846,380,933)	(5,369,762,990)	(7,216,143,923)	2,693,021,840	5,824,561,459	8,517,583,299	(1,269,566,950)	(3,163,170,617)	(4,432,737,567)
Zijin Tongguan	261,162,727	1,694,260,311	1,955,423,038	(632,592,935)	(8,968,430)	(641,561,365)	271,084,409	1,701,971,472	1,973,055,881	(625,532,278)	(8,441,050)	(633,973,328)
Ashele Copper	682,470,874	2,441,807,727	3,124,278,601	(417,996,152)	(523,868,370)	(941,864,522)	415,270,361	2,500,283,338	2,915,553,699	(411,797,097)	(538,945,000)	(950,742,097)
Bisha	1,452,661,472	2,637,909,318	4,090,570,790	(604,856,079)	(270,707,273)	(875,563,352)	1,024,905,730	2,755,523,035	3,780,428,765	(361,442,657)	(264,451,153)	(625,893,810)
Xinjiang Jinbao	1,567,022,544	654,276,623	2,221,299,167	(595,522,314)	(277,383,132)	(872,905,446)	1,536,091,001	713,478,018	2,249,569,019	(625,983,892)	(274,777,810)	(900,761,702)
Guizhou Zijin	234,943,287	1,882,307,059	2,117,250,346	(326,581,338)	(826,800,724)	(1,153,382,062)	197,415,370	2,375,462,918	2,572,878,288	(370,896,757)	(1,294,495,950)	(1,665,392,707)
Hei Longxing (consolidated)	721,495,471	2,472,942,341	3,194,437,812	(1,343,341,942)	(1,066,574,634)	(2,409,916,576)	768,402,834	2,614,646,024	3,383,048,858	(1,672,315,387)	(1,072,908,783)	(2,745,224,170)
Luoyang Kunyu	130,177,479	949,457,191	1,079,634,670	(178,421,782)	(47,691,813)	(226,113,595)	141,982,696	933,758,631	1,075,741,327	(196,473,914)	(46,501,221)	(242,975,135)
Malipo Tungsten Group	128,448,470	1,293,391,432	1,421,839,902	(415,587,082)	(318,000,000)	(733,587,082)	126,138,946	1,322,968,823	1,450,107,769	(584,862,494)	(100,000,000)	(684,862,494)
Yunnan Huaxi	148,573,068	138,261,569	286,834,637	(281,672)	-	(281,672)	148,802,715	160,806,936	309,609,651	(15,594)	-	(15,594)
Bayannur Zijin	731,621,897	1,825,873,341	2,557,495,238	(972,408,789)	(116,028,389)	(1,088,437,178)	888,101,521	1,886,444,152	2,774,545,673	(1,296,322,888)	(131,231,355)	(1,427,554,243)
Alynkun	241,100,160	1,607,966,506	1,849,066,666	(407,094,103)	(254,360,327)	(661,454,430)	206,154,201	1,722,679,244	1,928,833,445	(532,203,245)	(507,374,633)	(1,039,577,878)
Jinbao Iron	166,445,510	129,643,064	296,088,574	(1,256,216,405)	(1,057,329,754)	(2,313,546,159)	167,359,457	155,877,124	323,236,581	(1,229,621,528)	(1,057,459,772)	(2,287,081,300)
Continental Gold Limited												
Sucursal Colombia (Note 1)	973,826,347	6,016,451,863	6,990,278,210	(714,712,391)	(3,578,132,893)	(4,292,845,284)	789,728,053	6,378,247,889	7,167,975,942	(343,257,225)	(4,111,614,392)	(4,454,871,617)
Julong Copper	2,319,603,572	13,684,398,663	16,004,002,235	(3,274,283,196)	(9,136,330,622)	(12,410,613,818)	326,633,265	13,567,929,726	13,894,562,991	(4,474,913,709)	(6,732,694,246)	(11,207,607,955)
Zwinn No. 1	279,342	3,810,051,925	3,810,331,267	-	-	-	59,647,324	3,750,000,000	3,809,647,324	-	-	-
Zwinn No. 2	684,009	2,534,906,671	2,535,590,680	100,000	-	100,000	-	-	-	-	-	-

Note 1: Continental Gold Limited Sucursal Colombia is the major subsidiary of Zijin America.

The major financial information of the above subsidiaries is stated in the table below. These amounts are before elimination among the enterprises of the Group:

VII. INVESTMENTS IN OTHER ENTITIES (continued)

1. Investments in subsidiaries (continued)

Notes to Financial Statements (continued)

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

VII. INVESTMENTS IN OTHER ENTITIES (continued)

1. Investments in subsidiaries (continued)

The major financial information of the above subsidiaries is stated in the table below. These amounts are before elimination among the enterprises of the Group: (continued)

	For the six months ended 30 June 2021				For the six months ended 30 June 2020			
	Operating income	Net profit/(loss)	Total comprehensive income/(loss)	Cash flows from/(used in) operating activities	Operating income	Net profit/(loss)	Total comprehensive income/(loss)	Cash flows from/(used in) operating activities
Serbia Zijin Copper	3,183,027,126	773,506,563	773,506,563	224,825,845	1,957,195,503	246,921,794	246,921,794	8,989,393
Zijin Tongguan	-	(19,032,678)	(19,032,678)	(8,361,370)	-	(14,231,507)	(14,231,507)	188,775
Ashle Copper	1,404,925,974	720,012,325	720,012,325	870,457,066	905,354,737	357,049,703	357,049,703	539,356,421
Bisha	1,609,643,557	377,750,755	377,750,755	866,466,957	952,414,438	(1,795,904)	(1,795,904)	119,030,617
Xinjiang Jinbao	1,381,549,777	792,194,208	792,194,208	778,183,531	1,013,715,750	532,260,115	532,260,115	457,909,361
Guizhou Zijin	758,019,697	102,421,552	102,421,552	190,132,682	1,041,997,816	66,154,304	66,154,304	204,684,543
Hei Longxing (consolidated)	691,080,003	160,013,482	160,013,482	342,147,105	315,484,499	(143,283,193)	(143,283,193)	123,457,575
Luoyang Kunyu	351,176,553	70,685,364	70,685,364	138,433,590	367,384,571	71,497,690	71,497,690	196,900,807
Malipo Tungsten Group	94,256,012	(76,025,549)	(76,025,549)	(21,030,705)	133,933,965	19,736,257	19,736,257	47,688,991
Yunnan Huaxi	203,100	(23,040,491)	(23,040,491)	714,391	288,619	478,061	478,061	1,103,705
Bayannur Zijin	2,219,490,585	124,664,332	124,664,332	194,573,866	1,633,511,496	96,344,265	96,344,265	181,891,436
Altynken	849,655,244	307,747,591	307,747,591	377,452,900	807,082,304	258,309,232	258,309,232	349,581,047
Jinhao Iron	371,394	(53,612,866)	(53,612,866)	(2,554,872)	977,628	(55,975,870)	(55,975,870)	(1,019,978)
Continental Gold Limited Sucursal								
Colombia	1,114,612,083	152,318,229	152,318,229	355,675,272	-	4,031,174	4,031,174	-
Julong Copper	501,992,816	781,089,198	781,089,198	180,005,687	-	-	-	-
Zixin No. 1	-	84,998,179	84,998,179	(92)	-	-	-	-
Zixin No. 2	-	34,490,681	34,490,681	(315,990)	-	-	-	-

Notes to Financial Statements (continued)

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VII. INVESTMENTS IN OTHER ENTITIES (continued)

2. Investments in joint ventures and associates

Joint ventures	Principal place of business	Place of registration	Principal activities	Registered capital	Proportion of ownership interest		Accounting treatment
					Direct	Indirect	
Shandong Guoda (Note 1)	Zhaoyuan City, Shandong Province	Zhaoyuan City, Shandong Province	Production of gold, silver, electrolytic copper and sulphuric acid; sale of self-produced products	RMB173,430,000	-	30.05%	Equity method
Gold Eagle Mining (Note 2)	Hong Kong	Hong Kong	Trading and investment	HKD3,498,500	-	45%	Equity method
Southwest Zijin Gold	Zhenfeng County, Guizhou Province	Zhenfeng County, Guizhou Province	Research and development of manufacturing technology, design and processing, wholesale and technical consultation services of precious metals, jewellery and jade products	RMB100,000,000	-	50%	Equity method
Guizhou Funeng Zijin (Note 3)	Anshun City, Guizhou Province	Anshun City, Guizhou Province	Power and electricity investment	RMB200,000,000	-	50%	Equity method
Fujian Longhu Fishery	Longyan City, Fujian Province	Longyan City, Fujian Province	Ecological aquaculture, fishing, aquatic product processing, recreational fishing business, tourism, etc.	RMB21,500,000	-	51.16%	Equity method
Kamao (Note 4)	DR Congo	Barbados	Mining of copper mineral	USD14,000	-	49.5%	Equity method
Porgera Service Company	Australia	Cairns, Australia	Provision of corporate advisory service	AUD1,000	-	50%	Equity method
Pometon (Note 5)	Serbia	Bor, Serbia	Production of copper powder, copper processing	RSD104,610,167	-	49%	Equity method

Associates	Principal place of business	Place of registration	Principal activities	Registered capital	Proportion of ownership interest		Accounting treatment
					RMB	Direct	
Ting River Hydropower	Shanghang County, Fujian Province	Shanghang County, Fujian Province	Hydroelectric power generation	69,000,000	-	49%	Equity method
Wuping Zijin Hydropower	Wuping County, Fujian Province	Wuping County, Fujian Province	Hydroelectric power generation and investment in the hydropower industry	60,000,000	-	48%	Equity method
Haixia Technology (Note 6)	Yong'an City, Fujian Province	Yong'an City, Fujian Province	Production of explosives for civilian use	411,489,086	-	15.65%	Equity method
Shanghang Xinyuan	Shanghang County, Fujian Province	Shanghang County, Fujian Province	Pipe water supply	310,000,000	-	36.97%	Equity method
Hunchun Jindi	Hunchun City, Yanbian Korean Autonomous Prefecture	Hunchun City, Yanbian Korean Autonomous Prefecture	Analysis and testing of geological exploration for mineral, technology development, consultation and transfer, sale of mineral products	100,000,000	-	51%	Equity method
Yanbian Security	Yanbian Korean Autonomous Prefecture	Yanbian Korean Autonomous Prefecture	Provision of loan guarantees for SMEs and individuals	200,000,000	-	23.47%	Equity method
Kanas Travel	Burqin County, Xinjiang	Burqin County, Xinjiang	Catering and travel services	135,000,000	-	20%	Equity method
Makeng Mining	Longyan City, Fujian Province	Longyan City, Fujian Province	Iron and molybdenum mining	1,000,000,000	41.5%	-	Equity method
Songan Zijin	Songan County, Ngawa Tibetan and Qiang Autonomous Prefecture	Songan County, Ngawa Tibetan and Qiang Autonomous Prefecture	Sale of industrial materials, equipment and instruments; development, manufacture and sale of general machinery	180,000,000	34%	-	Equity method
Wancheng Commercial	Urad Rear Banner, Bayannur City, Inner Mongolia	Urad Rear Banner, Bayannur City, Inner Mongolia	Mining, processing and sale of zinc, lead, sulphur, copper and iron minerals	73,440,000	10%	37.5%	Equity method
Yulong Copper	Changdu County, Changdu Prefecture, Tibet Autonomous Region	Changdu County, Changdu Prefecture, Tibet Autonomous Region	Mining of copper mineral and geological studies	2,800,000,000	22%	-	Equity method
Xinjiang Tianlong (Note 7)	Fukang City, Xinjiang	Fukang City, Xinjiang	Limestone mining, cement production, refining and intensive processing of non-ferrous metals	870,935,192	-	17.20%	Equity method

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

VII. INVESTMENTS IN OTHER ENTITIES *(continued)*

2. Investments in joint ventures and associates *(continued)*

Associates (continued)	Principal place of business	Place of registration	Principal activities	Registered capital RMB	Proportion of ownership interest		Accounting treatment
					Direct	Indirect	
Xiamen Modern Terminals	Xiamen City, Fujian Province	Xiamen City, Fujian Province	Dock construction, operation of dock and other port facilities; cargo loading and storage operation (under permission in license)	355,580,000	–	25%	Equity method
Wengfu Zijin	Shanghang County, Fujian Province	Shanghang County, Fujian Province	Production of monoammonium phosphate, diammonium hydrogen phosphate, gypsum block and cement additive	813,340,000	–	38.98%	Equity method
Longyan Zijin AVIC Properties Co., Ltd. ("Longyan Zijin AVIC")	Longyan City, Fujian Province	Longyan City, Fujian Province	Development, operation and management of real estate, property management and car park service	320,408,163	–	49%	Equity method
Zisen Supply Chain	Xiamen City, Fujian Province	Xiamen City, Fujian Province	Supply chain management; investment management and consultation; business information consultation; investment consultation	10,000,000	–	49%	Equity method
Fujian Kingkop	Fuzhou City, Fujian Province	Fuzhou City, Fujian Province	Design, manufacture, sale and repair of automatic and intelligent equipment; technological development and service in respect of industrial automation and electrical engineering; development and design of computer hardware and software products; provision of information system integration service	30,000,000	10%	20%	Equity method
Science	Changsha City, Hunan Province	Changsha City, Hunan Province	Technological consultation, design, development and operation services; design, contracting and construction of environmental protection engineering projects; research, development, manufacture, sale and related technical services for chemicals and environmental protection equipment used in sewage and wastewater treatment	71,120,000	–	28.29%	Equity method
Evergreen New Energy	Shanghang County, Fujian Province	Shanghang County, Fujian Province	Research of power battery recovery technology, power battery recovery, production and sales of precursors	200,000,000	30%	–	Equity method
Beijing Anchuang Shenzhou	Beijing City	Chaoyang District, Beijing City	Technology development, technology transfer, technological consultation, technology promotion, technical services; computer technology training, etc.	10,000,000	–	45%	Equity method
Caixi Cultural	Shanghang County, Fujian Province	Shanghang County, Fujian Province	Cultural and entertainment agency; investments in culture, sports and entertainment; other cultural and artistic industries	1,250,000	20%	–	Equity method
China Gezhouba Group Explosive Co., Ltd. Maizhokunggar Branch	Lhasa City, Tibet Autonomous Region	Maizhokunggar County, Lhasa City, Tibet Autonomous Region	Manufacturing and distribution services of explosives and pyrotechnic products	90,000,000	–	49%	Equity method
Sino-Zijin Resources (Note 8)	Beijing City	Chaoyang District, Beijing City	Engineering survey, software development and technical research services, etc.	518,596,200	42%	–	Equity method
Yixing Jiayu Hongde Zhanyi Equity Investment Partnership Enterprise (Limited Partnership) (Note 9)	Yixing City, Jiangsu Province	Yixing City, Jiangsu Province	Equity investment; equity investment, investment management, asset management and other activities as the capacity of private equity fund	263,380,000	37.97%	–	Equity method
China Minmetals Non-Ferrous Metals Jiangsu Company Limited	Jiangsu Pilot Free Trade Zone Lianyungang Area	Jiangsu Pilot Free Trade Zone Lianyungang Area	Warehousing service of goods under customs supervision, road freight transport, etc.	36,000,000	25%	–	Equity method
Zijin Mining Zifeng (Xiamen) Investment Partnership Enterprise (Limited Partnership)	Xiamen City, Fujian Province	Xiamen City, Fujian Province	Equity investment, investment management, asset management and other activities as the capacity of private equity fund	15,000,000	19.78%	–	Equity method

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

VII. INVESTMENTS IN OTHER ENTITIES *(continued)*

2. Investments in joint ventures and associates *(continued)*

- Note 1: Pursuant to the articles of association of Shandong Guoda, the board of directors of Shandong Guoda consists of five directors, including two appointed by the Group and three appointed by a partner, Shandong Zhaojin Group Zhaoyuan Gold Smelting Company Limited. The operating decisions of Shandong Guoda are only effective when approved by two-thirds of the directors. Therefore, the management of the Group considers that the Group has joint control over Shandong Guoda, and accounts for it as a joint venture.
- Note 2: Pursuant to the shareholders' agreement related to Gold Eagle Mining, the board of directors of Gold Eagle Mining consists of five directors, including two appointed by the Group and three appointed by Jinchuan Group. The operating decisions of Gold Eagle Mining are only effective when approved by two-thirds of the directors. Therefore, the management of the Group considers that the Group has joint control over Gold Eagle Mining, and accounts for it as a joint venture.
- Note 3: In December 2014, Guizhou Zijin and Fujian Coal and Electric Company Limited ("Fujian Coal and Electric") jointly established Guizhou Funeng Zijin with respective shareholding ratios of 50% and 50%. Pursuant to the contract between the two parties, the board of directors of Guizhou Funeng Zijin consists of five directors, including two appointed by the Group and three appointed by a partner, Fujian Coal and Electric. The operating decisions of Guizhou Funeng Zijin are only effective when approved by two-thirds of the directors. Therefore, the management of the Group considers that the Group has joint control over Guizhou Funeng Zijin, and accounts for it as a joint venture.
- Note 4: Gold Mountains (H.K.) and Ivanhoe Mines US LLC each holds 49.5% of equity interest in Kamo. The remaining proportion of 1% is held by Crystal River Global Limited. Pursuant to the articles of association of Kamo, the board of directors of Kamo consists of five directors, including two appointed by the Group, two appointed by Ivanhoe Mines US LLC, and one appointed by Crystal River Global Limited. The operating decisions of Kamo are only effective when approved by more than 80.01% of its shareholders, therefore, the management of the Group considers that the Group has joint control over the company, and accounts for it as a joint venture.
- Note 5: Pometon is a joint venture of Serbia Zijin Copper, a subsidiary of the Group. Pursuant to the articles of association of Pometon, the company shall set up a board of directors, which consists of five directors, two of whom shall be appointed by Serbia Zijin Copper. The decisions of the company shall only be implemented with the unanimous consent of all the operating parties. Therefore, the management of the Group considers that the Group has joint control over the company, and accounts for it as a joint venture.
- Note 6: Pursuant to the articles of association of Haixia Technology, the board of directors of Haixia Technology consists of nine directors, including one appointed by the Group. The resolutions of the board of directors are only effectively when approved by over three-fourths of the directors. In addition, the chairman of the supervisory committee and the deputy general manager of Haixia Technology are appointed by the Group. Therefore, the management of the Group considers that the Group has significant influence over the financial and operating decisions of Haixia Technology, and accounts for it as an associate.
- Note 7: Pursuant to the articles of association of Xinjiang Tianlong, the board of directors of Xinjiang Tianlong consists of seven directors, including one appointed by the Group. The resolutions of the board of directors of Xinjiang Tianlong are effective only when approved by over two-thirds of the directors. Therefore, the management of the Group considers that the Group has significant influence over financial and operating decisions of Xinjiang Tianlong, and accounts for it as an associate.
- Note 8: On 31 August 2020, the Group, together with Beijing Institute of Geology for Mineral Resources Co., Ltd. and Beijing Aolian Zhuocheng Science and Technology Partnership Enterprise (Limited Partnership) jointly invested in and incorporated Sino-Zijin Resources with registered capital of RMB518,596,200. The Group holds 42% of its equity interest. As at 31 December 2020, the Group had invested a total of RMB217,810,400 in cash. Pursuant to the articles of association of Sino-Zijin Resources, the board of directors of Sino-Zijin Resources consists of five directors, including two appointed by the Group. The resolutions of the board of directors are effective only when approved by more than half of the directors. Therefore, the management of the Group considers that the Group has significant influence over the financial and operating decisions of Sino-Zijin Resources, and accounts for it as an associate.
- Note 9: On 11 June 2021, Zijin Mining Ziniu (Xiamen) Industry Investment Fund Partnership Enterprise (Limited Partnership) (a subsidiary of the Group), Jiayu Hongde Investment (Shanghai) Co., Ltd. and others (21 partners in total) jointly invested in and incorporated Yixing Jiayu Hongde Zhanyi Equity Investment Partnership Enterprise (Limited Partnership). The registered capital of the partnership enterprise was RMB263,380,000, the Group held 37.97% of its equity interest. As at 30 June 2021, the Group had invested RMB100,000,000 in cash. Pursuant to the partnership agreement, partner meetings can only be convened validly if partners with more than two-thirds of the voting rights attend the meetings. The resolutions of the meetings can only be passed upon approval of all the partners with voting right attending the meetings. Therefore, the management of the Group considers that the Group has significant influence over the financial and operating decisions of the partnership enterprise, and accounts for it as an associate.

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

VII. INVESTMENTS IN OTHER ENTITIES *(continued)*

2. Investments in joint ventures and associates *(continued)*

The significant joint ventures of the Group include Gold Eagle Mining and Kamo, which are accounted for using the equity method.

The financial information of the above significant joint ventures is set out in the table below, which was adjusted to book value per consolidated financial statements in accordance with the Group's accounting policies:

30 June 2021

	Gold Eagle Mining	Kamo
Current assets	441,242,283	4,007,113,346
<i>Including: Cash and cash equivalents</i>	422,590,180	1,861,069,364
Non-current assets	3,930,598,923	18,934,256,298
Total assets	4,371,841,206	22,941,369,644
Current liabilities	1,422,125,301	3,276,775,154
Non-current liabilities	3,230,050	17,722,234,733
Total liabilities	1,425,355,351	20,999,009,887
Non-controlling interests	–	(485,874,940)
Equity attributable to owners of the parent	2,946,485,855	2,428,234,697
Share of net assets based on the proportion of equity interest	1,325,918,635	1,201,976,175
Adjustments		
Impairment provision	–	–
Book value of equity investments	1,325,918,635	1,201,976,175
Operating income	–	–
Financial expenses	15,827,811	262,607,605
<i>Including: Interest income</i>	–	(15,966,615)
<i>Including: Interest expenses</i>	15,827,677	278,574,220
Income tax expenses	–	(64,608,923)
Net loss	(15,850,914)	(213,503,026)
Other comprehensive income	–	–
Total comprehensive loss	(15,850,914)	(213,503,026)
Dividends received	–	–

Notes to Financial Statements *(continued)*

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*VII. INVESTMENTS IN OTHER ENTITIES *(continued)*2. Investments in joint ventures and associates *(continued)*

The financial information of the above significant joint ventures is set out in the table below, which was adjusted to book value per consolidated financial statements in accordance with the Group's accounting policies: *(continued)*

31 December 2020

	Gold Eagle Mining	Kamoa
Current assets	504,788,681	2,468,593,497
<i>Including: Cash and cash equivalents</i>	<i>444,060,585</i>	<i>905,688,407</i>
Non-current assets	3,881,541,642	16,239,765,874
Total assets	4,386,330,323	18,708,359,371
Current liabilities	1,420,734,168	1,001,231,418
Non-current liabilities	3,262,450	15,556,567,619
Total liabilities	1,423,996,618	16,557,799,037
Non-controlling interests	–	(460,331,870)
Equity attributable to owners of the parent	2,962,333,705	2,610,892,204
Share of net assets based on the proportion of equity interest	1,333,050,167	1,292,391,641
Adjustments		
Impairment provision	–	–
Book value of equity investments	1,333,050,167	1,292,391,641
Operating income	–	–
Financial expenses	81,057,518	515,229,008
<i>Including: Interest income</i>	<i>–</i>	<i>(35,459,037)</i>
<i>Including: Interest expenses</i>	<i>81,032,557</i>	<i>550,688,045</i>
Income tax expenses	–	(113,128,612)
Net loss	(83,453,594)	(426,501,859)
Other comprehensive income	38,999,704	–
Total comprehensive loss	(44,453,890)	(426,501,859)
Dividends received	–	–

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

VII. INVESTMENTS IN OTHER ENTITIES *(continued)*

2. Investments in joint ventures and associates *(continued)*

The significant associates of the Group include Makeng Mining and Yulong Copper, which are accounted for using the equity method.

The financial information of the above significant associates is set out in the table below, which was adjusted to book value per consolidated financial statements in accordance with the Group's accounting policies:

30 June 2021

	Makeng Mining	Yulong Copper
Current assets	561,801,310	3,030,006,126
Non-current assets	4,672,787,411	12,164,743,960
Total assets	5,234,588,721	15,194,750,086
Current liabilities	1,856,372,387	2,587,376,911
Non-current liabilities	1,178,326,783	7,885,623,667
Total liabilities	3,034,699,170	10,473,000,578
Non-controlling interests	–	–
Equity attributable to owners of the parent	2,199,889,551	4,721,749,508
Share of net assets based on the proportion of equity interest	912,954,164	1,038,784,892
Adjustments		
Goodwill	331,615,363	–
Book value of equity investments	1,244,569,527	1,038,784,892
Operating income	1,451,080,209	2,542,254,500
Income tax expenses	199,189,713	125,435,527
Net profit	598,067,762	1,263,920,986
Other comprehensive income	–	–
Total comprehensive income	598,067,762	1,263,920,986
Dividends received	–	–

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)***VII. INVESTMENTS IN OTHER ENTITIES** *(continued)***2. Investments in joint ventures and associates** *(continued)*

The financial information of the above significant associates is set out in the table below, which was adjusted to book value per consolidated financial statements in accordance with the Group's accounting policies: *(continued)*

31 December 2020

	Makeng Mining	Yulong Copper
Current assets	323,960,309	851,029,013
Non-current assets	4,487,340,711	11,663,169,908
Total assets	4,811,301,020	12,514,198,921
Current liabilities	1,908,687,204	2,362,999,964
Non-current liabilities	1,300,792,029	6,693,370,433
Total liabilities	3,209,479,233	9,056,370,397
Non-controlling interests	–	–
Equity attributable to owners of the parent	1,601,821,787	3,457,828,524
Share of net assets based on the proportion of equity interest	664,756,042	760,722,275
Adjustments		
Goodwill	331,615,363	–
Book value of equity investments	996,371,405	760,722,275
Operating income	1,603,122,682	1,171,085,314
Income tax expenses	98,546,857	38,522,414
Net profit	287,732,934	368,861,757
Other comprehensive income	–	–
Total comprehensive income	287,732,934	368,861,757
Dividends received	323,960,309	851,029,013

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

VII. INVESTMENTS IN OTHER ENTITIES *(continued)*

2. Investments in joint ventures and associates *(continued)*

The following table illustrates the aggregate financial information of the Group's joint ventures and associates that are not individually significant:

	30 June 2021	31 December 2020
Joint ventures		
Aggregate book value of the Group's investments in joint ventures	281,336,782	416,595,779
Items below were calculated by the proportion of equity interest		
Share of net profit of joint ventures	5,880,977	15,569,655
Share of other comprehensive income of joint ventures	–	–
Share of total comprehensive income of joint ventures	5,880,977	15,569,655
Associates		
Aggregate book value of the Group's investments in associates	2,509,184,207	2,300,523,646
Items below were calculated by the proportion of equity interest		
Share of net profit of associates	80,895,062	199,877,987
Share of other comprehensive income of associates	–	–
Share of total comprehensive income of associates	80,895,062	199,877,987

The Group will provide support for the capital expenditure of Kamoia based on the proportion to the equity interest held. The future funding commitment amounted to USD283,488,408, equivalent to RMB1,831,363,465 (2020: USD342,385,604, equivalent to RMB2,234,031,828).

3. Significant joint operation

Company name	Principal place of business	Place of registration	Principal activities	Proportion of ownership interest	Proportion of voting rights	Strategic or not
BNL	Papua New Guinea	Port Moresby, Papua New Guinea	Mining, processing and sale of gold ore	50%	50%	Yes

The Group has determined that BNL is jointly controlled by Gold Mountains (H.K.), a wholly-owned subsidiary of the Company, and Barrick (PD) Australia Pty Limited, and each of the parties has rights to the assets and obligations for the liabilities of BNL, and is eligible to BNL's products and recognises the expenses incurred in the proportion of 50% each. Therefore, the Group accounts for it as a joint operation.

As the PNG Government declined to renew the Porgera Special Mining Lease (the "Porgera SML") of BNL, the Porgera Gold Mine has been on care and maintenance since April 2020. On 9 April 2021, BNL and the PNG Government entered into a binding framework agreement for the future ownership and operation of the Porgera Gold Mine. The Porgera Gold Mine is on track to resume operations later this year. BNL and PNG stakeholders are actively advancing the negotiation process in order to work towards the signing of definitive agreements as soon as possible, at which time full mine recommencement work will begin.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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VIII. FINANCIAL INSTRUMENTS AND RISKS

1. Financial instruments by category

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

30 June 2021

Financial assets

	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Financial assets at fair value through other comprehensive income		Total
	Standards' requirement		Standards' requirement	Designated	
Cash and cash equivalents	-	17,507,796,458	-	-	17,507,796,458
Held for trading financial assets	2,435,863,775	-	-	-	2,435,863,775
Trade receivables	-	1,526,031,423	-	-	1,526,031,423
Receivables financing	-	-	1,789,602,662	-	1,789,602,662
Other receivables	-	1,254,781,154	-	-	1,254,781,154
Current portion of non-current assets	-	16,300,343	-	-	16,300,343
Other current assets	-	781,319,030	-	-	781,319,030
Debt investments	-	455,157,945	-	-	455,157,945
Other equity instrument investments	-	-	-	8,493,172,725	8,493,172,725
Other non-current financial assets	62,500,000	-	-	-	62,500,000
Other non-current assets	-	9,529,991,082	-	-	9,529,991,082
	2,498,363,775	31,071,377,435	1,789,602,662	8,493,172,725	43,852,516,597

Financial liabilities

	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost	Total
	Standards' requirement		
Short-term borrowings	-	20,527,029,167	20,527,029,167
Held for trading financial liabilities	510,304,355	-	510,304,355
Bills payable	-	517,422,900	517,422,900
Trade payables	-	4,639,528,460	4,639,528,460
Other payables	-	7,475,183,736	7,475,183,736
Current portion of non-current liabilities	-	9,036,150,871	9,036,150,871
Other current liabilities	-	1,216,618,136	1,216,618,136
Long-term borrowings	-	31,590,879,188	31,590,879,188
Bonds payable	-	11,753,754,891	11,753,754,891
Long-term payables	-	2,285,650,579	2,285,650,579
Other non-current liabilities – contingent consideration	1,377,568,506	-	1,377,568,506
	1,887,872,861	89,042,217,928	90,930,090,789

Notes to Financial Statements (continued)

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

VIII. FINANCIAL INSTRUMENTS AND RISKS (continued)

1. Financial instruments by category (continued)

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

31 December 2020

Financial assets

	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Financial assets at fair value through other comprehensive income		Total
	Standards' requirement		Standards' requirement	Designated	
Cash and cash equivalents	–	11,955,339,296	–	–	11,955,339,296
Held for trading financial assets	1,930,142,166	–	–	–	1,930,142,166
Trade receivables	–	1,141,449,611	–	–	1,141,449,611
Receivables financing	–	–	1,584,054,139	–	1,584,054,139
Other receivables	–	1,127,544,480	–	–	1,127,544,480
Current portion of non-current assets	–	40,255,087	–	–	40,255,087
Other current assets	–	709,285,449	–	–	709,285,449
Debt investments	–	255,811,321	–	–	255,811,321
Other equity instrument investments	–	–	–	6,482,326,358	6,482,326,358
Other non-current financial assets	37,500,000	–	–	–	37,500,000
Other non-current assets	–	8,455,970,594	–	–	8,455,970,594
	1,967,642,166	23,685,655,838	1,584,054,139	6,482,326,358	33,719,678,501

Financial liabilities

	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost	Total
	Standards' requirement		
Short-term borrowings	–	20,719,121,154	20,719,121,154
Held for trading financial liabilities	647,508,441	–	647,508,441
Bills payable	–	955,561,056	955,561,056
Trade payables	–	5,542,998,831	5,542,998,831
Other payables	–	7,239,365,985	7,239,365,985
Current portion of non-current liabilities	–	7,970,092,601	7,970,092,601
Other current liabilities	–	172,904,917	172,904,917
Long-term borrowings	–	29,082,887,198	29,082,887,198
Bonds payable	–	16,109,678,619	16,109,678,619
Long-term payables	–	1,946,237,992	1,946,237,992
Other non-current liabilities – contingent consideration	1,359,912,912	–	1,359,912,912
	2,007,421,353	89,738,848,353	91,746,269,706

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

VIII. FINANCIAL INSTRUMENTS AND RISKS *(continued)*

2. Transfer of financial assets

Transferred financial assets that are not derecognised in their entirety

As at 30 June 2021, the Group endorsed commercial acceptance bills with a carrying amount of RMB16,000,000 (31 December 2020: RMB13,000,000) to its suppliers in order to settle the trade payables due to such suppliers. During the current period, the Group endorsed bank acceptance bills with a carrying amount of RMB166,197,125 (31 December 2020: RMB260,976,849) to its suppliers in order to settle the trade payables due to such suppliers or operated a number of discounting businesses through several banks in China. In the opinion of the Group, the Group has retained substantially all the risks and rewards, which include default risks relating to such endorsed bills, and accordingly, it continued to recognise the full carrying amounts of the endorsed bills and the associated trade payables settled. Subsequent to the endorsement, the Group did not retain any rights on the use of the endorsed bills, including the sale, transfer or pledge of the endorsed bills to any other third parties.

Transferred financial assets that are derecognised in their entirety in which continuing involvement exists

As at 30 June 2021, the Group endorsed bank acceptance bills (the "Derecognised Bills") with a carrying amount of RMB408,563,556 (31 December 2020: RMB530,150,820) to its suppliers in order to settle the trade payables due to such suppliers or which are without repurchase obligation at the maturity date to banks. As at 30 June 2021, the Derecognised Bills had a maturity of 1 to 12 months. In accordance with the Law of Negotiable Instruments, the holders of the Derecognised Bills have the right of recourse against the Group if the accepting banks default (the "Continuing Involvement"). In the opinion of the Group, the Group has transferred substantially all risks and rewards relating to the Derecognised Bills. Accordingly, it has derecognised the carrying amounts of such Derecognised Bills and the associated trade payables. The maximum exposure to loss from the Group's Continuing Involvement in the Derecognised Bills and the undiscounted cash flows to repurchase these Derecognised Bills is equal to their carrying amounts. In the opinion of the Group, the fair values of the Group's Continuing Involvement in the Derecognised Bills are not significant.

In the year 2021, the Group has not recognised any gains or losses at the date of transfer of the Derecognised Bills. No gains or losses were recognised from the Continuing Involvement in the derecognised financial assets, both during the year or cumulatively. The endorsement has been made evenly throughout the current period.

3. Risk of financial instruments

The Group is exposed to the risks of various financial instruments in its daily activities, mainly including credit risk, liquidity risk and market risk (including currency risk, interest rate risk, equity instruments price risk and commodity price risk). The Group's principal financial instruments mainly include cash and cash equivalents, held for trading financial assets, loans, receivables financing and trade receivables, other receivables, bills payable, bonds payable and held for trading financial liabilities, trade payables, and other payables. The Group also enters into derivative transactions, mainly including futures and forward contracts. The purpose is to manage the market risks arising from the Group's operation. The Group manages the market risk of the derivative financial instruments in accordance with the variance between actual metal prices in the active market and estimated target prices, etc. Risks associated with these financial instruments and policies of the risk management to lowering the risks of the Group are summarised below.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

VIII. FINANCIAL INSTRUMENTS AND RISKS *(continued)*

3. Risk of financial instruments *(continued)*

The Group's principal risks of financial instruments are credit risk, liquidity risk and market risk. Policies of the risk management to lower the risks of the Group are summarised below.

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, trade receivable balances are monitored on an ongoing basis to ensure that the Group's exposure to bad debts is not significant.

As the counterparties of cash and cash equivalents, bank acceptance bills receivable, debt investments and derivative financial instruments are banks with good reputation and high credit ratings, these financial instruments have low credit risk.

The Group's other financial assets comprise of cash and cash equivalents, held for trading financial assets, loans, trade receivables and certain derivative instruments. The credit risk of such financial assets arises from default of the counterparties, with a maximum exposure equal to the carrying amounts of these instruments.

The maximum exposure to credit risk of the Group at each end of the reporting period is the total amount charged to the customers less the amount of the impairment provision.

The Group is also exposed to credit risk for providing financial guarantees. Detailed information is disclosed in Note XII.

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral. Concentrations of credit risks are managed by customer/counterparty, by geographical region and by industry sector. There are no significant concentrations of credit risk within the Group as the customer bases of the Group's trade receivables are widely dispersed in different sectors and industries. The Group does not hold any collateral or other credit enhancements over its trade receivable balances.

Determination of significant increase in credit risk

At each end of the reporting period, the Group determines whether the credit risk of a financial asset has increased significantly since initial recognition. When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information. To assess change in default risk in the duration of financial instruments, the Group compares the risk of a default occurring on the asset as at the end of the reporting period with the risk of default as at the date of initial recognition, based on a single financial asset or classes of financial assets with similar credit risks characteristics.

The Group determines that the credit risk of financial assets has significantly increased when one or more of the following quantitative or qualitative criteria below are met:

- quantitative criteria are mainly probability of default increasing more than a given % since initial recognition;
- qualitative criteria are mainly significant detrimental changes in the borrower's operating or financial conditions and early warning customer lists, etc.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

VIII. FINANCIAL INSTRUMENTS AND RISKS *(continued)*

3. Risk of financial instruments *(continued)*

Credit risk *(continued)*

Definition of credit-impaired financial assets

In assessing whether a financial asset is credit-impaired, the Group considers both quantitative and qualitative indicators and adopts the standard of determination in line with internal credit risk management goal of the relevant financial instruments. The Group assesses whether a financial asset is credit-impaired by considering the following factors:

- significant financial difficulty of the issuer or borrower;
- a breach of contract such as a default or delinquency in payments of interest and principals;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for a security because of financial difficulties of the issuer or borrower;
- financial assets purchased or sourced at large discounts indicating credit losses have occurred.

The impairment of financial assets may not be necessarily due to a single discrete event. The combined effects of multiple events may result in financial assets being credit-impaired.

Parameters of the expected credit loss model

Based on whether there is a significant increase in credit risk and whether the financial assets are credit-impaired, the Group recognises impairment allowance for different assets using either 12-month expected credit losses or lifetime expected credit losses. The measurement of the expected credit loss model is a function of the probability of default, the loss given default and the exposure at default as key parameters. The Group establishes the model of the probability of default, the loss given default and the exposure at default by considering the quantitative analysis of historical statistics such as the counterparty rating, guarantee method, collateral category, repayment method, and also forward-looking information.

Definitions:

- The probability of default is the probability that the debtor will not be able to meet its repayment obligations within the following 12 months or throughout the remaining duration. To reflect the macro-economic expected credit loss environment conditions, the Group's assessment of the probability of default is based on the calculation of expected credit loss model adjusted by forward-looking information.
- The loss given default refers to the Group's expectation of the extent of the loss of default risk exposure. The loss given default varies depending on the type of counterparty, the way and priority of recourse, and the type of collateral. The loss given default is the percentage of the risk exposure loss at the time of default, calculated on the basis of the next 12 months or the entire duration.
- The exposure at default refers to the amount that the Group should be repaid in the event of default in the next 12 months or throughout the remaining period.

The assessment of a significant increase in credit risk and calculation of expected credit losses both involve forward-looking information. The Group recognises key economic ratios that influence credit risk and expected credit losses by historical data analysis.

As at 30 June 2021, there was no evidence of a significant increase in credit risk.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

VIII. FINANCIAL INSTRUMENTS AND RISKS *(continued)*

3. Risk of financial instruments *(continued)*

Liquidity risk

The Group monitors its risk of shortage of funds using a recurring liquidity planning tool. This tool considers both the maturity of the financial instruments and projected cash flows from operations.

The Group's objective is to maintain a balance between continuity and flexibility of funding through the use of debentures, bank borrowings, other borrowings and other means of financing. As at 30 June 2021, approximately 48% of the Group's debts will mature in less than one year (31 December 2020: 47%).

The table below summarises the maturity profile of the Group's financial liabilities based on the contractual undiscounted cash flows:

30 June 2021

	Less than 1 year	1 year to 5 years	Over 5 years	Total
Short-term borrowings	20,567,624,987	–	–	20,567,624,987
Held for trading financial liabilities	510,304,355	–	–	510,304,355
Bills payable	517,422,900	–	–	517,422,900
Trade payables	4,639,528,460	–	–	4,639,528,460
Other payables	6,963,065,658	–	–	6,963,065,658
Other current liabilities	1,014,252,055	–	–	1,014,252,055
Current portion of non-current liabilities	9,122,363,303	–	–	9,122,363,303
Long-term borrowings	771,290,689	26,298,796,277	7,250,654,393	34,320,741,359
Bonds payable	444,619,765	12,555,224,295	–	12,999,844,060
Lease liabilities	–	216,324,604	–	216,324,604
Long-term payables	37,429,741	1,071,568,301	1,421,097,026	2,530,095,068
	44,587,901,913	40,141,913,477	8,671,751,419	93,401,566,809

31 December 2020

	Less than 1 year	1 year to 5 years	Over 5 years	Total
Short-term borrowings	20,752,840,410	–	–	20,752,840,410
Held for trading financial liabilities	647,508,441	–	–	647,508,441
Bills payable	5,542,998,831	–	–	5,542,998,831
Trade payables	955,561,056	–	–	955,561,056
Other payables	7,239,365,985	–	–	7,239,365,985
Current portion of non-current liabilities	8,021,471,478	–	–	8,021,471,478
Long-term borrowings	991,552,380	28,158,334,300	3,127,473,075	32,277,359,755
Bonds payable	475,850,000	16,179,343,248	–	16,655,193,248
Lease liabilities	–	180,941,497	–	180,941,497
Long-term payables	15,305,198	808,759,830	1,262,193,550	2,086,258,578
	44,642,453,779	45,327,378,875	4,389,666,625	94,359,499,279

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

VIII. FINANCIAL INSTRUMENTS AND RISKS *(continued)*

3. Risk of financial instruments *(continued)*

Market risk

Interest rate risk

The Group's exposure to the risk of changes in market interest rates primarily relates to the Group's long-term debt obligations with floating interest rates.

The Group maintains an appropriate fixed rate and variable rate debts portfolio to manage the interest costs. As at 30 June 2021, approximately 44% (31 December 2020: 48%) of the Group's interest-bearing borrowings were fixed rate debts.

Currency risk

The operating results of the Group are subject to the change of value in the assets and liabilities held in foreign currencies by the Group, which is caused by the fluctuation of exchange rates. The Group carries out hedging businesses for the exchange rate risk exposure. The Board approves the annual transaction amount, the maximum position quantity, business type and business duration for the foreign currency derivative transaction business. The financial planning team is responsible for the overall management of the Group's foreign currency business and makes adjustment to the foreign currency hedging strategy according to the market situation. A specialised monetary financial planning team is set up under the financial planning team to carry out the specific transaction business.

Equity instruments price risk

Equity instruments price risk is the risk that the fair values of equity securities change as a result of changes in the levels of equity indices and the value of individual securities. The Group is exposed to equity price risk arising from financial assets at fair value through profit or loss (Note V.2) and other equity instrument investments (Note V.12) as at 30 June 2021. The Group's listed equity instrument investments are listed on the Shanghai, Shenzhen, Hong Kong, Toronto, New York, London, Australian, Johannesburg stock exchanges and NASDAQ, and are valued at quoted market prices at the end of the reporting period.

Commodity price risk

The Group's exposure to commodity price risk principally relates to the future market price fluctuation in major metals, such as gold, copper, zinc and silver. The price fluctuation may affect the Group's operating results.

The Group carries out hedging businesses on the future sales of gold, copper, zinc and silver. The board of directors approves the maximum position quantity of hedging derivative transactions of gold, copper, zinc and silver, and the hedging decision-making team and hedging business team are responsible for the organisation and implementation, and constantly pay attention to the price fluctuation of commodity futures contracts.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

VIII. FINANCIAL INSTRUMENTS AND RISKS *(continued)*

4. Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business development and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, repurchase shares or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years 2021 and 2020.

The Group monitors capital using the debt-to-asset ratio, which is total liabilities divided by total assets. The Group's debt-to-asset ratio at the end of the reporting period was as follows:

	30 June 2021	31 December 2020
Total assets	198,662,029,033	182,313,250,403
Total liabilities	110,242,902,186	107,716,808,927
Debt-to-asset ratio	55%	59%

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

IX. DISCLOSURE OF FAIR VALUE

1. Assets and liabilities measured at fair value

30 June 2021

	Fair value measurement using			Total
	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Measured at fair value on a continuous basis				
Held for trading financial assets				
Held for trading debt investments	2,119,148	–	–	2,119,148
Held for trading equity investments	767,736,294	–	–	767,736,294
Derivative financial assets	399,142,354	57,386,599	–	456,528,953
Funds of co-operative factoring business operation project	–	252,485,240	–	252,485,240
Others	956,994,140	–	–	956,994,140
Receivables financing				
Bills receivable	–	1,789,602,662	–	1,789,602,662
Debt investments				
Large-denomination certificates of deposit with terms of over one year	–	455,157,945	–	455,157,945
Other equity instrument investments				
Listed available-for-sale equity instruments	7,904,446,132	–	588,726,593	8,493,172,725
Other non-current financial assets				
Trust protection fund	62,500,000	–	–	62,500,000
Total assets measured at fair value on a continuous basis	10,092,938,068	2,554,632,446	588,726,593	13,236,297,107
Held for trading financial liabilities				
Gold leasing	363,563,000	–	–	363,563,000
Derivative financial liabilities – commodity hedging	119,059,245	27,276,809	–	146,336,054
Derivative financial liabilities – foreign exchange derivative instruments	–	405,301	–	405,301
Total liabilities measured at fair value on a continuous basis	482,622,245	27,682,110	–	510,304,355

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

IX. DISCLOSURE OF FAIR VALUE *(continued)*

1. Assets and liabilities measured at fair value *(continued)*

31 December 2020

	Fair value measurement using			Total
	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Measured at fair value on a continuous basis				
Held for trading financial assets				
Held for trading debt investments	4,381,741	–	–	4,381,741
Held for trading equity investments	521,815,633	–	–	521,815,633
Derivative financial assets	331,953,027	14,595,153	–	346,548,180
Funds of co-operative factoring business operation project	–	749,755,657	–	749,755,657
Others	307,640,955	–	–	307,640,955
Receivables financing				
Bills receivable	–	1,584,054,139	–	1,584,054,139
Debt investments				
Large-denomination certificates of deposit with terms of over one year	–	255,811,321	–	255,811,321
Other equity instrument investments				
Listed available-for-sale equity instruments	5,944,331,845	–	537,994,513	6,482,326,358
Other non-current financial assets				
Trust protection fund	37,500,000	–	–	37,500,000
<hr/>				
Total assets measured at fair value on a continuous basis	7,147,623,201	2,604,216,270	537,994,513	10,289,833,984
<hr/>				
Held for trading financial liabilities				
Gold leasing	196,350,000	–	–	196,350,000
Derivative financial liabilities – commodity hedging	390,926,507	60,179,706	–	451,106,213
Derivative financial liabilities – foreign exchange derivative instruments	–	52,228	–	52,228
<hr/>				
Total liabilities measured at fair value on a continuous basis	587,276,507	60,231,934	–	647,508,441

During the years 2021 and 2020, there were no transfers of fair value measurements of financial assets and financial liabilities between Level 1 and Level 2 and no transfers into or out from Level 3.

Notes to Financial Statements *(continued)*

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*IX. DISCLOSURE OF FAIR VALUE *(continued)*

2. Assets and liabilities disclosed at fair value

30 June 2021

	Fair value measurement using			Total
	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Long-term receivables	–	–	9,529,991,082	9,529,991,082
Borrowings	–	52,117,908,355	–	52,117,908,355
Bonds payable	–	11,753,754,891	–	11,753,754,891
Long-term payables	–	–	2,285,650,579	2,285,650,579
Current portion of non-current assets	–	–	16,300,343	16,300,343
Current portion of non-current liabilities	–	8,767,873,711	268,277,160	9,036,150,871

31 December 2020

	Fair value measurement using			Total
	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Long-term receivables	–	–	8,455,970,594	8,455,970,594
Borrowings	–	49,802,008,352	–	49,802,008,352
Bonds payable	–	16,109,678,619	–	16,109,678,619
Long-term payables	–	–	1,946,237,992	1,946,237,992
Current portion of non-current assets	–	–	40,255,087	40,255,087
Current portion of non-current liabilities	–	7,779,340,528	190,752,073	7,970,092,601

3. Estimation of fair value

The net book values of the Group's financial instruments approximate to their fair values.

The management has assessed that the fair values of cash and cash equivalents, trade receivables, other receivables, the current portion of non-current assets, other current assets, bills payable, trade payables, dividends payable, other payables, the current portion of non-current liabilities and other current liabilities approximate to their carrying amounts largely due to the short remaining maturities of these instruments.

The fair values of financial assets and liabilities are the amounts at which the instrument could be exchanged or debts could be settled in an arm's length transaction between knowledgeable and willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

The fair values of other non-current assets, short-term and long-term borrowings, long-term payables and bonds payable have been calculated by discounting the expected future cash flows using market rates of return currently available for other financial instruments with similar terms, credit risk and remaining maturities or incremental borrowing rate. As at 30 June 2021, the Group's own non-performance risk for short-term and long-term borrowings was assessed to be insignificant. The fair values of listed equity investments are measured at quoted market prices.

The Group has entered into derivative financial instrument contracts with various counterparties (mainly financial institutions with high credit ratings). Derivative financial instruments include forward contracts of precious metals and foreign currency forward contracts. The models incorporate various market observable inputs including the credit quality of counterparties, spot and forward foreign exchange rates and interest rates curves. The carrying values of forward contracts of precious metals and foreign currency forward contracts approximate to their fair values.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

1. The largest shareholder of the Company

Company name	Place of registration	Nature of business	Registered capital	Proportion of the Company's ownership	Proportion of the Company's voting power	Ultimate controlling entity
Minxi Xinghang	Sixth Floor, Tingjiang Building, Beihuan 2nd Road, Linjiang Town, Shanghang County, Longyan City, Fujian Province	Investment in Fujian	RMB368 million	23.11%	23.11%	Minxi Xinghang

2. Subsidiaries of the Company

Information about the subsidiaries of the Company is disclosed in Note VII.1.

3. Joint ventures and associates

Information about the joint ventures and associates of the Company is disclosed in Note VII.2

4. Joint operation

Information about the joint operation of the Company is disclosed in Note VII.3.

Notes to Financial Statements *(continued)*

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)***X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS** *(continued)***5. Other related parties of the Company**

	Relationship between the related parties and the Company
Shanghang County Jinshan Trading	A non-controlling shareholder of the Company
Fujian Shanghang Qilin Mining Construction Co., Ltd. ("Qilin Mining")	A non-controlling shareholder of Zijin Construction
La Générale des Carrières et des Mines ("Gécamines")	A non-controlling shareholder of COMMUS
Tech-Resources (Hong Kong) Trading Limited ("Tech-Resources (Hong Kong)")	The parent company of Canoca Investment Limited, a non-controlling shareholder of CARRILU
Libo Heavy Industries Science & Technology Co., Ltd. ("Libo Heavy Industries")	The parent company of Tech-Resources (Hong Kong), a non-controlling shareholder of CARRILU
Tongling Nonferrous Metals	A non-controlling shareholder of Zijin Tongguan
Tongling Nonferrous Metals Group Shanghai Investment and Trade Co., Ltd. ("Tongling Nonferrous Metals Shanghai Investment")	A wholly-owned subsidiary of Tongling Nonferrous Metals, a non-controlling shareholder of Zijin Tongguan
Kamoa Copper	A subsidiary of Kamoa, a joint venture of Gold Mountains (H.K.)
C&D Inc.	A non-controlling shareholder of Zijin Tongguan
Mr. Zhu	A non-controlling shareholder of Huanmin Mining Co., Ltd.
Guizhou Province Geological and Mineral Resources Development Co., Ltd. ("Guizhou Geological and Mineral Resources")	A non-controlling shareholder of Guizhou Zijin
Guizhou Province Geological and Mineral Resources Exploration and Development Bureau Team 105	A non-controlling shareholder of Zijin America
CLAI Gilding (BVI) Investment Limited	A non-controlling shareholder of Zijin America
ZLCFL-Cayman International Investment Cooperation Limited	A non-controlling shareholder of Zijin America
Kyrgyzaltyn OJSC	A non-controlling shareholder of Altynken
Tibet Zangge Venture Capital Group Co., Ltd.	An actual controller of a non-controlling shareholder of Julong Copper
Sichuan Yonghong Industrial Co., Ltd.	An actual controller of a non-controlling shareholder of Julong Copper
Qinghai Zhonghao Natural Gas Chemical Engineering Co., Ltd.	An actual controller of a non-controlling shareholder of Julong Copper

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS *(continued)*

6. Related party transactions

(A) Sales and purchases of products, and rendering and receipt of services to and from related parties

Purchases of products and receipt of services from related parties

	Nature of transaction	Pricing method and decision-making procedures of the related party transaction	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Zisen Supply Chain	Purchase of raw materials	Market price	885,324,757	8,740,444
Southwest Zijin Gold	Purchase of low-purity gold	Market price	344,110,907	39,728,130
Haixia Technology	Construction equipment	Market price	–	348,723
Guizhou Geological and Mineral Resources	Purchase of low-purity gold	Market price	97,243,912	141,203,212
Wancheng Commercial	Purchase of zinc concentrates	Market price	207,586,659	50,983,475
Makeng Mining	Purchase of iron ore	Market price	66,654,867	152,453,634
Libo Heavy Industries	Construction equipment	Market price	840,622	–
Qilin Mining	Transportation and construction services	Market price	–	10,616,043
Shanghang County Jinshan Trading	Purchase of raw materials	Market price	11,767,296	9,067,978
			1,613,529,020	413,141,639

Sales of products and rendering of services to related parties

	Nature of transaction	Pricing method and decision-making procedures of the related party transaction	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Tongling Nonferrous Metals Shanghai Investment	Sale of copper cathodes	Market price	1,748,354,301	–
Kyrgyzalyn OJSC	Sale of gold bullion	Market price	815,935,311	785,151,829
Wuxin Copper*	Sale of copper concentrates	Market price	703,276,354	559,207,983
Zisen Supply Chain	Sale of zinc concentrates and copper cathodes	Market price	230,370,692	7,538,132
Evergreen New Energy	Sale of cobalt hydroxide	Market price	134,266,519	81,716,349
Kamoa Copper	Sale of materials	Market price	162,098,994	1,300,321
Xinjiang Tianlong	Sale of calcined coke and petroleum coke	Market price	32,008,768	22,169,882
Wengfu Zijin	Sale of sulphuric acid	Market price	67,439,665	15,128,072
Makeng Mining	Sale of materials	Market price	–	1,584,046
Southwest Zijin Gold	Sale of gold material	Market price	6,717,384	4,604,944
			3,900,467,988	1,478,401,558

* Continuing connected transaction disclosed under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS *(continued)*

6. Related party transactions *(continued)*

(B) Related party guarantees

- (1) Provision of guarantees by related parties for bank loans of the Group

As at the end of the current period and the end of last year, there were no related party guarantees provided for bank loans of the Group.

- (2) The Group's provision of guarantees for bank loans of related parties

30 June 2021

Guarantor	Guaranteed party	Amount of guarantee	Inception date of guarantee	Expiry date of guarantee	Whether performance of guarantee has been completed
The Company	Wengfu Zijin (Note XII.2 (Note3))	74,760,000	18 September 2020	24 February 2022	No
The Company	Yulong Copper (Note XII.2 (Note1))	1,553,200,000	9 September 2019	8 September 2034	No
The Company	Evergreen New Energy (Note XII.2 (Note 4))	43,700,000	1 January 2020	20 November 2025	No
Julong Copper	Tibet Zangge Venture Capital Group Co., Ltd. (Note V.37)	1,734,917,444	26 July 2017	N/A	No
Julong Copper	Sichuan Yonghong Industrial Co., Ltd. (Note V.37)	1,945,131,843	26 July 2017	N/A	No
Julong Copper	Qinghai Zhonghao Natural Gas Chemical Engineering Co., Ltd. (Note V.37)	263,963,448	22 June 2017	N/A	No

31 December 2020

Guarantor	Guaranteed party	Amount of guarantee	Inception date of guarantee	Expiry date of guarantee	Whether performance of guarantee has been completed
The Company	Wengfu Zijin (Note XII.2 (Note3))	91,581,000	18 February 2020	30 November 2021	No
The Company	Yulong Copper (Note XII.2 (Note1))	1,320,000,000	9 September 2019	8 September 2034	No
The Company	Evergreen New Energy (Note XII.2 (Note 4))	39,200,000	1 January 2020	20 November 2025	No
Julong Copper	Tibet Zangge Venture Capital Group Co., Ltd. (Note V.37)	1,594,500,741	26 July 2017	N/A	No
Julong Copper	Sichuan Yonghong Industrial Co., Ltd. (Note V.37)	1,766,611,295	26 July 2017	N/A	No
Julong Copper	Qinghai Zhonghao Natural Gas Chemical Engineering Co., Ltd. (Note V.37)	227,324,802	22 June 2017	N/A	No

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS *(continued)*

6. Related party transactions *(continued)*

(C) Borrowings from/Loans to related parties

Borrowings from related parties

30 June 2021

Lender	Note	Amount of borrowings	Inception date	Due date	Annual interest rate	Nature
Minxi Xinghang	Note 1	12,060,000	10 December 2015	9 December 2027	1.20%	Loan
CLAI Gilding (BVI) Investment Limited	Note 2	103,413,281	22 April 2020	22 April 2022	10%	Loan
ZLCFL-Cayman International Investment Cooperation Limited	Note 3	118,865,840	22 December 2020	22 December 2025	10%	Loan
ZLCFL-Cayman International Investment Cooperation Limited	Note 3	178,298,760	22 December 2020	22 December 2022	5.50%	Loan
		412,637,881				

31 December 2020

Lender	Note	Amount of borrowings	Inception date	Due date	Annual interest rate	Nature
Minxi Xinghang	Note 1	14,860,000	11 December 2015	9 December 2027	1.20%	Loan
CLAI Gilding (BVI) Investment Limited	Note 2	113,533,226	22 April 2020	22 April 2022	10%	Loan
ZLCFL-Cayman International Investment Cooperation Limited	Note 3	130,497,960	22 December 2020	22 December 2025	10%	Loan
ZLCFL-Cayman International Investment Cooperation Limited	Note 3	195,746,941	22 December 2020	22 December 2022	5.50%	Loan
Xiamen Zijin Zhonghang	Note 4	125,000,000	28 October 2020	11 January 2021	Interest-free	Loan
		579,638,127				

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)***X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS** *(continued)***6. Related party transactions** *(continued)***(C) Borrowings from/Loans to related parties** *(continued)*

Loans to related parties

30 June 2021

Borrower	Note	Amount of loans	Inception date	Due date	Annual interest rate
Gold Eagle Mining	Note 5	233,459,797	30 June 2015	30 June 2023	LIBOR+2.60%
Gold Eagle Mining	Note 5	399,077,740	15 May 2017	31 August 2023	LIBOR+2.60%
Longyan Zijin AVIC	Note 6	427,421,477	18 March 2016	16 March 2023	6.50%
Kamoa	Note 7	1,170,292,562	8 December 2015	–	LIBOR+7%
Kamoa	Note 7	32,300,500	2 January 2016	–	LIBOR+7%
Kamoa	Note 7	49,904,763	15 March 2016	–	LIBOR+7%
Kamoa	Note 7	132,386,829	15 August 2016	–	LIBOR+7%
Kamoa	Note 7	121,661,216	14 October 2016	–	LIBOR+7%
Kamoa	Note 7	73,302,548	21 December 2016	–	LIBOR+7%
Kamoa	Note 7	22,688,543	24 January 2017	–	LIBOR+7%
Kamoa	Note 7	22,688,543	22 February 2017	–	LIBOR+7%
Kamoa	Note 7	29,433,223	24 March 2017	–	LIBOR+7%
Kamoa	Note 7	12,468,012	31 March 2017	–	LIBOR+7%
Kamoa	Note 7	26,781,275	24 April 2017	–	LIBOR+7%
Kamoa	Note 7	72,869,670	24 May 2017	–	LIBOR+7%
Kamoa	Note 7	31,703,768	31 July 2017	–	LIBOR+7%
Kamoa	Note 7	85,286,305	31 August 2017	–	LIBOR+7%
Kamoa	Note 7	48,224,343	31 August 2017	–	LIBOR+7%
Kamoa	Note 7	54,130,341	30 September 2017	–	LIBOR+7%
Kamoa	Note 7	46,904,473	31 October 2017	–	LIBOR+7%
Kamoa	Note 7	52,957,497	30 November 2017	–	LIBOR+7%
Kamoa	Note 7	8,918,097	25 January 2018	–	LIBOR+7%
Kamoa	Note 7	31,365,420	23 February 2018	–	LIBOR+7%
Kamoa	Note 7	35,472,202	6 April 2018	–	LIBOR+7%
Kamoa	Note 7	17,154,272	23 April 2018	–	LIBOR+7%
Kamoa	Note 7	45,082,796	24 May 2018	–	LIBOR+7%
Kamoa	Note 7	23,130,976	6 August 2018	–	LIBOR+7%
Kamoa	Note 7	53,953,825	23 August 2018	–	LIBOR+7%
Kamoa	Note 7	30,016,390	25 September 2018	–	LIBOR+7%
Kamoa	Note 7	128,615,804	25 October 2018	–	LIBOR+7%
Kamoa	Note 7	77,090,667	23 November 2018	–	LIBOR+7%
Kamoa	Note 7	91,706,320	21 February 2019	–	LIBOR+7%
Kamoa	Note 7	44,023,353	11 April 2019	–	LIBOR+7%
Kamoa	Note 7	108,943,895	26 April 2019	–	LIBOR+7%
Kamoa	Note 7	105,217,109	23 May 2019	–	LIBOR+7%
Kamoa	Note 7	137,064,116	26 July 2019	–	LIBOR+7%
Kamoa	Note 7	114,244,666	6 August 2019	–	LIBOR+7%
Kamoa	Note 7	131,185,057	22 August 2019	–	LIBOR+7%
Kamoa	Note 7	48,642,453	25 September 2019	–	LIBOR+7%
Kamoa	Note 7	69,456,734	25 October 2019	–	LIBOR+7%
Kamoa	Note 7	212,177,676	22 November 2019	–	LIBOR+7%
Kamoa	Note 7	244,032,991	30 December 2019	–	LIBOR+7%
Kamoa	Note 7	219,275,304	23 January 2020	–	LIBOR+7%
Kamoa	Note 7	24,749,244	28 February 2020	–	LIBOR+7%

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS *(continued)*

6. Related party transactions *(continued)*

(C) Borrowings from/Loans to related parties *(continued)*

Loans to related parties *(continued)*

30 June 2021 *(continued)*

Borrower	Note	Amount of loans	Inception date	Due date	Annual interest rate
Kamoa	Note 7	162,042,002	25 March 2020	–	LIBOR+7%
Kamoa	Note 7	88,958,000	24 April 2020	–	LIBOR+7%
Kamoa	Note 7	203,814,482	22 May 2020	–	LIBOR+7%
Kamoa	Note 7	225,084,846	23 June 2020	–	LIBOR+7%
Kamoa	Note 7	258,555,199	23 July 2020	–	LIBOR+7%
Kamoa	Note 7	165,827,873	24 August 2020	–	LIBOR+7%
Kamoa	Note 7	185,260,099	25 September 2020	–	LIBOR+7%
Kamoa	Note 7	147,029,848	23 October 2020	–	LIBOR+7%
Kamoa	Note 7	323,005,000	20 November 2020	–	LIBOR+7%
Kamoa	Note 7	149,659,683	28 December 2020	–	LIBOR+7%
Kamoa	Note 7	169,520,447	29 January 2021	–	LIBOR+7%
Kamoa	Note 7	194,972,724	23 February 2021	–	LIBOR+7%
Kamoa	Note 7	87,952,097	25 March 2021	–	LIBOR+7%
Kamoa	Note 7	134,732,059	23 April 2021	–	LIBOR+7%
Kamoa	Note 7	237,313,275	25 May 2021	–	LIBOR+7%
Kamoa	Note 7	1,647,067,467	–	–	–
Makeng Mining	Note 8	50,056,389	14 September 2020	8 October 2021	4.52%
Wengfu Zijin	Note 9	14,016,917	1 September 2020	31 August 2021	4.35%
Wengfu Zijin	Note 9	50,056,944	15 June 2021	14 June 2022	4.10%
		9,642,388,143			

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)***X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS** *(continued)***6. Related party transactions** *(continued)***(C) Borrowings from/Loans to related parties** *(continued)*Loans to related parties *(continued)*

31 December 2020

Borrower	Note	Amount of loans	Inception date	Due date	Annual interest rate
Gold Eagle Mining	Note 5	233,729,731	30 June 2015	30 June 2023	LIBOR+2.60%
Gold Eagle Mining	Note 5	397,972,246	15 May 2017	31 August 2023	LIBOR+2.60%
Longyan Zijin AVIC	Note 6	438,131,323	18 March 2016	16 March 2023	6.50%
Kamoa	Note 7	1,182,031,181	8 December 2015	–	LIBOR+7%
Kamoa	Note 7	32,624,490	2 January 2016	–	LIBOR+7%
Kamoa	Note 7	50,405,333	15 March 2016	–	LIBOR+7%
Kamoa	Note 7	133,714,735	15 August 2016	–	LIBOR+7%
Kamoa	Note 7	122,881,539	14 October 2016	–	LIBOR+7%
Kamoa	Note 7	74,037,809	21 December 2016	–	LIBOR+7%
Kamoa	Note 7	22,916,120	24 January 2017	–	LIBOR+7%
Kamoa	Note 7	22,916,120	22 February 2017	–	LIBOR+7%
Kamoa	Note 7	29,728,453	24 March 2017	–	LIBOR+7%
Kamoa	Note 7	12,593,073	31 March 2017	–	LIBOR+7%
Kamoa	Note 7	27,049,904	24 April 2017	–	LIBOR+7%
Kamoa	Note 7	73,600,589	24 May 2017	–	LIBOR+7%
Kamoa	Note 7	32,021,772	31 July 2017	–	LIBOR+7%
Kamoa	Note 7	86,141,769	31 August 2017	–	LIBOR+7%
Kamoa	Note 7	48,708,057	31 August 2017	–	LIBOR+7%
Kamoa	Note 7	54,673,295	30 September 2017	–	LIBOR+7%
Kamoa	Note 7	47,374,949	31 October 2017	–	LIBOR+7%
Kamoa	Note 7	53,488,687	30 November 2017	–	LIBOR+7%
Kamoa	Note 7	9,007,550	25 January 2018	–	LIBOR+7%
Kamoa	Note 7	31,680,031	23 February 2018	–	LIBOR+7%
Kamoa	Note 7	35,828,006	6 April 2018	–	LIBOR+7%
Kamoa	Note 7	17,326,338	23 April 2018	–	LIBOR+7%
Kamoa	Note 7	45,534,999	24 May 2018	–	LIBOR+7%
Kamoa	Note 7	23,362,991	6 August 2018	–	LIBOR+7%
Kamoa	Note 7	54,495,009	23 August 2018	–	LIBOR+7%
Kamoa	Note 7	30,317,469	25 September 2018	–	LIBOR+7%
Kamoa	Note 7	129,905,885	25 October 2018	–	LIBOR+7%
Kamoa	Note 7	77,863,925	23 November 2018	–	LIBOR+7%
Kamoa	Note 7	92,626,180	21 February 2019	–	LIBOR+7%
Kamoa	Note 7	44,464,929	11 April 2019	–	LIBOR+7%
Kamoa	Note 7	110,036,657	26 April 2019	–	LIBOR+7%
Kamoa	Note 7	106,272,489	23 May 2019	–	LIBOR+7%

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS *(continued)*

6. Related party transactions *(continued)*

(C) Borrowings from/Loans to related parties *(continued)*

Loans to related parties *(continued)*

31 December 2020 *(continued)*

Borrower	Note	Amount of loans	Inception date	Due date	Annual interest rate
Kamoa	Note 7	138,438,938	26 July 2019	–	LIBOR+7%
Kamoa	Note 7	115,390,597	6 August 2019	–	LIBOR+7%
Kamoa	Note 7	132,500,909	22 August 2019	–	LIBOR+7%
Kamoa	Note 7	49,130,362	25 September 2019	–	LIBOR+7%
Kamoa	Note 7	70,153,420	25 October 2019	–	LIBOR+7%
Kamoa	Note 7	214,305,924	22 November 2019	–	LIBOR+7%
Kamoa	Note 7	246,480,764	30 December 2019	–	LIBOR+7%
Kamoa	Note 7	221,474,744	23 January 2020	–	LIBOR+7%
Kamoa	Note 7	24,997,491	28 February 2020	–	LIBOR+7%
Kamoa	Note 7	163,667,365	25 March 2020	–	LIBOR+7%
Kamoa	Note 7	89,850,293	24 April 2020	–	LIBOR+7%
Kamoa	Note 7	205,858,843	22 May 2020	–	LIBOR+7%
Kamoa	Note 7	227,342,559	23 June 2020	–	LIBOR+7%
Kamoa	Note 7	261,148,637	23 July 2020	–	LIBOR+7%
Kamoa	Note 7	167,491,209	24 August 2020	–	LIBOR+7%
Kamoa	Note 7	187,118,351	25 September 2020	–	LIBOR+7%
Kamoa	Note 7	148,504,630	23 October 2020	–	LIBOR+7%
Kamoa	Note 7	326,244,902	20 November 2020	–	LIBOR+7%
Kamoa	Note 7	151,160,845	28 December 2020	–	LIBOR+7%
Kamoa	Note 7	1,371,441,470	–	–	–
Makeng Mining	Note 8	50,062,028	14 September 2020	8 October 2021	4.52%
Wengfu Zijin	Note 9	19,018,608	1 September 2020	31 August 2021	4.35%
		8,567,246,522			

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)***X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS** *(continued)***6. Related party transactions** *(continued)***(C) Borrowings from/Loans to related parties** *(continued)*

Note 1: Minxi Xinghang, a shareholder of the Company, provided the Company with an unsecured loan of RMB30,000,000 with an annual interest rate of 1.2% on 11 December 2015. As at 30 June 2021, the Company had repaid RMB17,940,000. The outstanding balance of the loan was RMB12,060,000.

Note 2: CLAI Gilding (BVI) Investment Limited entered into an agreement with Zijin America, a subsidiary of the Group, to provide Zijin America with a loan with principal of USD17,400,000. The loan period is from 22 April 2020 to 22 April 2022. The loan is interest-bearing at 10% and unsecured. As at 30 June 2021, Zijin American had repaid a principal of USD1,392,000, the outstanding balance of the loan was USD16,008,000, equivalent to RMB103,413,281.

Note 3: ZLCFL-Cayman International Investment Cooperation Limited and Zijin America, a subsidiary of the Group, entered into two loan agreements: one is to provide Zijin America with a loan with principal of USD20,000,000, equivalent to RMB129,202,000. The loan period is from 22 December 2020 to 22 December 2025. The loan is unsecured with an interest rate of 10%. As at 30 June 2021, a principal of USD1.6 million had been repaid for the loan, the remaining balance of the loan was USD18,400,000, equivalent to RMB118,865,840. The other was to provide Zijin America with a loan with principal of USD30,000,000, equivalent to RMB195,746,941, and the loan period is from 22 December 2020 to 22 December 2022. The loan is unsecured with an interest rate of 5.5%. As at 30 June 2021, a principal of USD2.4 million had been repaid for the loan, the remaining balance of the loan was USD27,600,000, equivalent to RMB178,298,760.

Note 4: Fujian Zijin Commerce Services Co., Ltd. ("Zijin Commercial Services"), a subsidiary of the Group, entered into a loan agreement with Xiamen Zijin Zhonghang for an unsecured, interest-free loan in the principal amount of RMB125,000,000, and the loan period was from 28 October 2020 to 11 January 2021. As at 30 June 2021, the loan was fully settled.

Note 5: In 2012, Jin Jian Global Mining Limited ("Jin Jian Global"), a subsidiary of the Group, entered into an agreement with Gold Eagle Mining. Pursuant to the agreement, Jin Jian Global provided a loan of USD22,680,000 to Gold Eagle Mining which was extended to 30 June 2023. As at 30 June 2021, the total amount of the loan principal and the interest receivable was USD36,138,728, equivalent to RMB233,459,797. In 2014, Jin Jian Global provided an additional loan of USD51,750,000 to Gold Eagle Mining which was extended to 31 August 2023. As at 30 June 2021, the total amount of the loan principal and the interest receivable was USD61,717,368, equivalent to RMB399,077,740. On 30 December 2020, the creditor of the two loans was changed from Jin Jian Global to the Company's wholly-owned subsidiary, Jinyu (H.K.) International Mining Company Limited ("Jinyu (H.K.)"). Gold Eagle Mining directly paid Jinyu (H.K.) on schedule all the payments under the loan and fulfilled all its obligations related to the loan. The above loans were both unsecured with an interest rate of the one-year LIBOR+2.60%.

Note 6: In 2016, the Company provided a loan of RMB419,440,000 to an associate, Longyan Zijin AVIC. The loan was unsecured with an interest rate of 6.50% per annum and the maturity date of the loan had been extended to 16 March 2023 in year 2020. As at 30 June 2021, the total amount of the principal and interest receivable was RMB427,421,477 in total. In 2017, the Company accrued bad debt provision of RMB153,203,515 for the loan provided to Longyan Zijin AVIC.

Note 7: Pursuant to the equity transfer agreement, part of the original shareholders' loans to Kamo in the amount of USD181,157,035, equivalent to RMB1,170,292,562 was transferred to the Group's subsidiary, Gold Mountains (H.K.). These loans were unsecured with an interest rate of the one-year LIBOR+7%. The Company and Kamo agreed that these loans would be repaid with Kamo's future operating cash flows. Starting from 2016, Kamo's working capital has been funded by each of its shareholders in proportion to their respective shareholdings. As at 30 June 2021, Gold Mountains (H.K.) provided loans of USD874,744,795 in aggregate to Kamo, equivalent to RMB5,650,938,850. These loans were unsecured with an interest rate of the one-year LIBOR+7%. The Company and Kamo agreed that these loans would be repaid with Kamo's future operating cash flows. As at 30 June 2021, the total principal receivable of Gold Mountains (H.K.) from Kamo was USD1,055,901,830, equivalent to RMB6,821,231,412, and the total interest receivable was USD254,960,057, equivalent to RMB1,647,067,467.

Note 8: In September 2020, Zijin Mining Group Finance Co., Ltd. ("Finance Company"), a subsidiary of the Group, provided a loan of RMB50,000,000 to Makeng Mining, an associate of the Group. As at 30 June 2021, the total amount of principal and interest receivable was RMB50,056,389. The loan will mature in October 2021.

Note 9: In September 2020 and June 2021, Zijin Mining Group Finance Co., Ltd. ("Finance Company"), a subsidiary of the Group, provided loans of RMB14,000,000 and RMB50,000,000 to Wengfu Zijin, an associate of the Group. As at 30 June 2021, the total amount of principal and interest receivable was RMB64,073,861 (31 December 2020: total amount of principal and interest receivable was RMB14,018,608). These loans will mature in August 2021 and June 2022.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS *(continued)*

6. Related party transactions *(continued)*

(D) Other major related party transactions

- (1) Compensation of key management and remuneration of directors accrued during the year

	30 June 2021	31 December 2020
Remuneration of directors	30,979,710	33,593,819
Compensation of key management	26,539,391	14,963,568
	57,519,101	48,557,387

- (2) Commitments between the Group and related parties

Commitments between the Group and related parties are disclosed in Note XII.1.

- (3) Joint external investments between the Group and related parties

During the current period, there was no joint external investment between the Group and related parties.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)***X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS** *(continued)***7. Amounts due from related parties**

	30 June 2021		31 December 2020	
	Carrying amount	Bad debt provision	Carrying amount	Bad debt provision
Trade receivables				
Kamoa Copper	35,557,255	–	49,499,465	–
Wengfu Zijin	16,500,374	–	2,229,222	–
	52,057,629	–	51,728,687	–
Receivables financing				
Wengfu Zijin	–	–	40,000,000	–
Prepayments				
Kamoa Copper	969,015,000	–	–	–
Wancheng Commercial	21,335,541	–	21,867,831	–
Haixia Technology	5,914	–	5,914	–
Zisen Supply Chain	42,738,978	–	51,175,604	–
	1,033,095,433	–	73,049,349	–
Other receivables				
Makeng Mining	50,056,389	–	50,062,028	–
Wengfu Zijin	64,073,861	–	14,050,000	–
Xiamen Minxing	–	–	11,083,478	11,083,478
	114,130,250	–	75,195,506	11,083,478
Current portion of non-current assets				
Gold Eagle Mining	–	–	–	–
Longyan Zijin AVIC	7,981,477	–	18,691,323	–
	7,981,477	–	18,691,323	–
Other non-current assets				
Longyan Zijin AVIC	419,440,000	153,203,515	419,440,000	153,203,515
Gold Eagle Mining	632,537,537	–	631,701,977	–
Kamoa	8,468,298,879	–	7,428,332,586	–
	9,520,276,416	153,203,515	8,479,474,563	153,203,515

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS *(continued)*

8. Amounts due to related parties

	30 June 2021	31 December 2020
Trade payables		
China Gezhouba Group Explosive Co., Ltd. Maizhokunggar Branch	34,277,465	106,498,330
Libo Heavy Industries	89,481,843	70,377,559
	123,759,308	176,875,889
Other payables		
Tech-Resources (Hong Kong)	441,228,001	367,078,651
Tongling Nonferrous Metals	212,253,500	212,299,899
C&D Inc.	84,901,400	84,919,960
Xiamen Zijin Zhonghang	–	125,000,000
Zisen Supply Chain	111,193,142	160,032,989
Mr. Zhu	29,672,233	29,672,233
Guizhou Province Geological and Mineral Resources Exploration and Development Bureau Team 105	1,040,019	4,062,721
	880,288,295	983,066,453
Current portion of non-current liabilities		
Gécamines	–	35,234,449
Minxi Xinghang	2,800,000	2,800,000
CLAI Gilding (BVI) Investment Limited	103,413,281	–
	106,213,281	38,034,449
Long-term payables		
ZLCFL-Cayman International Investment Cooperation Limited	297,164,600	326,244,902
CLAI Gilding (BVI) Investment Limited	–	113,533,226
Minxi Xinghang	9,260,000	12,060,000
	306,424,600	451,838,128

Except for the amounts due from Gold Eagle Mining, Makeng Mining, Longyan Zijin AVIC and Wengfu Zijin which were interest-bearing with a fixed term of repayment, the amount due from Kamoia which was interest-bearing without a fixed term of repayment, the amount of entrance fee due to Gécamines which was interest-free with a fixed term of repayment; and the amounts due to Minxi Xinghang, ZLCFL-Cayman International Investment Cooperation Limited and CLAI Gilding (BVI) Investment Limited which were interest-bearing with a fixed term of repayment, other amounts due from/to related parties were interest-free, unsecured with no fixed terms of repayment.

There was no loan provided by the Group to the directors as at 30 June 2021.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)***XI. SHARE-BASED PAYMENT****1. Overview**

Equity-settled share-based payment is as follows:

	2021	2020
Accumulated amount of equity-settled share-based payment recognised in capital reserve	98,994,391	–
Total amount of equity-settled share-based payment recognised in expenses	98,994,391	–

Method of measuring the fair value of equity instruments on the grant date: closing price of the Company's A Shares on the grant date after deducting the exercise price of the restricted A Shares;

Determination basis of the number of exercisable equity instruments as at each end of the reporting period in the vesting period: number of participants of the incentive scheme in service as at the end of the reporting period.

2. Restricted A Share incentive scheme

Pursuant to the authorisation to the Board under the resolution in relation to authorisation to the Board to handle all the matters relating to the restricted A Share incentive scheme considered and approved at the third Extraordinary General Meeting in 2020, the third A Shareholders' class meeting in 2020 and the third H Shareholders' class meeting in 2020 of the Company, the proposal in relation to the grant of restricted A Shares to the participants under the first grant was considered and approved at the Company's first extraordinary meeting in 2021 of the seventh term of the Board and the first extraordinary meeting in 2021 of the seventh term of the Supervisory Committee on 13 January 2021. It was determined that the grant date of the Company's restricted A Shares to be issued under the restricted A share incentive scheme was 13 January 2021, and the Company would grant 97,490,000 restricted A Shares to 697 participants at a grant price of RMB4.95 per A Share. On 28 January 2021, the Company completed the registration of shares at China Securities Depository and Clearing Company Limited Shanghai Branch. 686 participants of the restricted A Share incentive scheme were granted 95.98 million restricted A Shares. The listing date of such A Shares was 29 January 2021.

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XI. SHARE-BASED PAYMENT *(continued)*

2. Restricted A Share incentive scheme *(continued)*

The appraisal period for unlocking the restricted A Shares granted under the first grant and the reserved grant of the incentive scheme is the three accounting years from 2021 to 2023. Appraisal shall be conducted in each accounting year. Performance appraisal targets at company and individual levels for each year are set out below:

Unlocking period	Performance appraisal targets
The first unlocking period for the restricted shares granted under the first grant and the reserved grant	<ol style="list-style-type: none"> (1) On the basis of the operating results for 2019, the annual compound growth rate of net profit for 2021 shall not be lower than 25% as well as the industry average level or the 75th percentile of the benchmarking enterprises; (2) On the basis of the operating results for 2019, the annual compound growth rate of return on net assets for 2021 shall not be lower than 10% as well as the industry average level or the 75th percentile of the benchmarking enterprises; (3) Debt-to-asset ratio as at the end of 2021 shall not be higher than 65%; (4) Performance appraisal of such participant for 2021 shall be grade B or above
The second unlocking period for the restricted shares granted under the first grant and the reserved grant	<ol style="list-style-type: none"> (1) On the basis of the operating results for 2019, the annual compound growth rate of net profit for 2022 shall not be lower than 25% as well as the industry average level or the 75th percentile of the benchmarking enterprises; (2) On the basis of the operating results for 2019, the annual compound growth rate of return on net assets for 2022 shall not be lower than 10% as well as the industry average level or the 75th percentile of the benchmarking enterprises; (3) Debt-to-asset ratio as at the end of 2022 shall not be higher than 65%; (4) Performance appraisal of such participant for 2022 shall be grade B or above
The third unlocking period for the restricted shares granted under the first grant and the reserved grant	<ol style="list-style-type: none"> (1) On the basis of the operating results for 2019, the annual compound growth rate of net profit for 2023 shall not be lower than 25% as well as the industry average level or the 75th percentile of the benchmarking enterprises; (2) On the basis of the operating results for 2019, the annual compound growth rate of return on net assets for 2023 shall not be lower than 10% as well as the industry average level or the 75th percentile of the benchmarking enterprises; (3) Debt-to-asset ratio as at the end of 2023 shall not be higher than 65%; (4) Performance appraisal of such participant for 2023 shall be grade B or above

During the period from the date of the announcement of the incentive scheme to the completion of registration of the restricted A Shares held by the participants, in case of any conversion of capital reserve into share capital, bonus issue, share split, rights issue, share consolidation, etc. made by the Company, the number of restricted A Shares shall be adjusted accordingly. After completion of the registration of the restricted A Shares which have been granted to the participants, if there is any conversion of capital reserve into share capital, bonus issue, share split, rights issue, share consolidation, dividend distribution or any other event that affects the Company's total share capital or share price, the Company shall make corresponding adjustments to the number of the restricted A Shares. The adjustments shall be carried out based on the relevant stipulations in the incentive scheme.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)***XII. COMMITMENTS AND CONTINGENCIES****1. Significant commitments**

	30 June 2021	31 December 2020
Contracted, but not provided		
Capital commitments (Note 1)	5,050,926,166	7,960,424,166
Investment commitments (Note 2)	1,831,363,465	2,234,031,828
	6,882,289,631	10,194,455,994

Note 1: As at 30 June 2021, the amount of capital commitments relating to the acquisition and construction of plant, machinery and equipment and mining assets was RMB5,050,926,166 (31 December 2020: RMB7,959,934,366), among which, the amount of capital commitments relating to the acquisition and construction of plant, machinery and equipment and mining assets of Julong Copper was RMB206,390,044; the amount of the capital commitments relating to the acquisition and construction of plant, machinery and equipment and mining assets of Duobaoshan Copper Industry was RMB368,885,483; the amount of capital commitments of Serbia Zijin Copper, one of the overseas subsidiaries, was RMB3,297,367,085.

Note 2: As at 30 June 2021, the amount of the investment commitments was RMB1,831,363,465 (31 December 2020: RMB2,234,031,828).

2. Contingencies

Guarantees provided to third parties

	30 June 2021	31 December 2020
Guarantees provided to third parties		
Yulong Copper (Note 1)	1,553,200,000	1,320,000,000
Fujian Rare Earth (Group) Company Limited (Note 2)	571,085,650	524,103,500
Wengfu Zijin (Note 3)	74,760,000	91,581,000
Evergreen New Energy (Note 4)	43,700,000	39,200,000
	2,242,745,650	1,974,884,500

Note 1: As at 30 June 2021, the Company's associate, Yulong Copper, had a syndicated loan with an outstanding balance (within the scope of guarantees provided by the Company) of RMB7,060,000,000. The Company provided a guarantee based on its 22% shareholding interest in Yulong Copper, i.e. RMB1,553,200,000.

Note 2: As at 30 June 2021, the outstanding balance of the bank loan of Makeng Mining (within the scope of guarantees provided by the Company), an associate of the Company, was RMB1,376,110,000. Makeng Mining's controlling shareholder, Fujian Rare Earth (Group) Company Limited (including Fujian Yejin (Holding) Co., Ltd.), provided a guarantee for its financing. The Company pledged its 41.5% equity interest in Makeng Mining and the interest derived from such equity interest to provide a counter guarantee for Fujian Rare Earth (Group) Company Limited (including Fujian Yejin (Holding) Co., Ltd.). As at 30 June 2021, the guarantee provided by the Company amounted to RMB571,085,650.

Note 3: As at 30 June 2021, the Company provided a guarantee to Wengfu Zijin, an associate of the Group, for the outstanding balance of its bank loan in the amount of RMB200,000,000. The proportion of debt guaranteed by the Group was 37.38%. As at 30 June 2021, the guarantee balance provided by the Company amounted to RMB74,760,000.

Note 4: As at 30 June 2021, the outstanding balance of the loan from Industrial Bank Shanghang Sub-branch to Evergreen New Energy, an associate of the Company, was RMB43,700,000. The Company provided a 100% guarantee on the debt in favour of Industrial Bank Shanghang Sub-branch. As at 30 June 2021, the guarantee provided by the Company amounted to RMB43,700,000.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XIII. EVENTS AFTER THE REPORTING PERIOD

There is no important event after the reporting period.

XIV. OTHER SIGNIFICANT EVENTS

1. Operating segment information

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

- (1) the gold bullion segment engages in the production of gold bullion through the Group's integrated processes, i.e., mining, processing and refining;
- (2) the processed, refined and trading gold segment engages in the production of gold bullion by processing gold concentrates produced by the Group or purchased from external suppliers and gold bullion in the business of physical gold trading;
- (3) the gold concentrates segment engages in the production of gold concentrates that are up to smelting standard by processing gold ore produced by the Group;
- (4) the copper cathodes segment engages in the production of copper cathodes through the Group's integrated processes, i.e., mining, processing and refining;
- (5) the refined copper segment engages in the production of copper cathodes by processing copper concentrates produced by the Group or purchased from external suppliers;
- (6) the copper concentrates segment engages in the production of copper concentrates that are up to smelting standard by processing copper ore produced by the Group;
- (7) other concentrates segment comprises, principally, the production of zinc concentrates, tungsten concentrates, lead concentrates and iron ore;
- (8) the zinc bullion segment engages in the production of zinc bullion; and
- (9) segment of "others" comprises, principally, sales income from sulphuric acid, copperplate, silver, iron, etc., trading income from copper cathodes and so on.

The 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, which is a measure of adjusted operating profit before tax. The adjusted operating profit before tax is measured consistently with the Group's operating profit before tax except that interest income, finance costs, dividend income, gains or losses from changes in fair value of the Group's financial instruments as well as head office and corporate expenses are excluded from such measurement.

Segment assets exclude cash and cash equivalents, deferred tax assets, equity investments at fair value through profit or loss, derivative financial instruments and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude financial liabilities at fair value through profit or loss, derivative financial instruments, bank and other borrowings, deferred tax liabilities, taxes payable, bonds payable and other unallocated head office and 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.

Notes to Financial Statements (continued)

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XIV. OTHER SIGNIFICANT EVENTS (continued)

1. Operating segment information (continued)

For the six months ended 30 June 2021

Item	Processed, refined and trading gold										Total
	Gold bullion	Gold concentrates	Copper cathodes	Refined copper	Copper concentrates	Other concentrates	Zinc bullion	Others	Eliminations		
I. Operating income	4,820,667,270	48,210,773,763	4,351,586,363	18,514,136,309	8,306,021,209	4,852,269,012	2,708,930,927	59,214,029,265	(43,775,106,303)	109,863,361,694	
Including: Sales to external customers	3,199,403,310	39,392,266,064	783,706,868	16,249,268,482	4,172,440,719	3,411,495,391	2,668,492,020	38,433,729,092	-	109,863,361,694	
Intersegment sales	1,621,263,960	8,818,507,699	3,567,879,495	2,264,867,827	4,133,580,490	1,440,773,621	40,438,907	20,780,300,173	(43,775,106,303)	-	
II. Segment profit	899,426,003	7,629,514	979,466,335	334,601,440	3,404,832,015	1,857,952,580	105,941,390	437,420,706	-	8,910,501,206	
III. Segment assets	53,372,159,633	13,414,864,241	10,815,434,679	14,021,686,142	34,056,062,358	14,395,603,274	3,631,155,627	202,670,225,392	(188,863,858,010)	172,479,177,828	
Unallocated assets										26,182,851,205	
Total assets										198,662,029,033	
IV. Segment liabilities	27,218,614,835	9,893,607,049	5,726,814,288	9,626,800,960	20,785,548,608	9,954,540,625	2,209,034,912	97,492,348,507	(111,334,040,255)	80,195,454,130	
Unallocated liabilities										30,047,448,056	
Total liabilities										110,242,902,186	
V. Supplemental information											
1. Depreciation and amortisation	70,944,399	1,363,284,139	21,923,384	503,059,712	81,733,330	58,522,675	73,609,911	1,666,213,994	-	3,878,075,955	
2. Capital expenditure	207,713,671	263,871,562	70,893,513	982,111,170	3,602,009,900	922,507,035	192,505,132	2,264,035,041	-	9,632,272,002	

For the six months ended 30 June 2020

Item	Processed, refined and trading gold										Total
	Gold bullion	Gold concentrates	Copper cathodes	Refined copper	Copper concentrates	Other concentrates	Zinc bullion	Others	Eliminations		
I. Operating income	4,731,246,279	52,295,315,961	2,377,681,926	11,458,104,041	5,265,052,735	2,645,809,763	1,543,658,774	20,466,981,680	(19,603,641,045)	83,142,262,114	
Including: Sales to external customers	3,266,116,889	47,041,184,069	2,002,912,570	10,824,992,573	2,094,576,169	2,235,397,138	1,453,257,333	13,583,108,230	-	83,142,262,114	
Intersegment sales	1,465,129,390	5,254,131,892	374,769,356	633,111,468	3,170,477,566	410,412,625	90,401,441	6,883,873,450	(19,603,641,045)	-	
II. Segment profit	1,229,461,244	17,478,365	271,549,946	178,761,812	1,297,506,358	618,977,983	115,563,242	(466,767,192)	-	3,651,363,927	
III. Segment assets	63,781,976,601	13,453,573,054	9,038,411,965	13,739,040,558	21,172,238,231	12,013,618,134	2,493,523,414	126,856,302,342	(140,164,542,621)	134,316,532,233	
Unallocated assets										15,488,107,811	
Total assets										149,804,640,044	
IV. Segment liabilities	33,208,102,696	9,440,635,808	4,806,867,309	9,465,259,228	12,558,737,332	8,808,673,919	1,493,454,279	96,197,888,160	(108,510,638,294)	74,478,669,631	
Unallocated liabilities										15,860,665,131	
Total liabilities										90,339,334,762	
V. Supplemental information											
1. Depreciation and amortisation	81,299,041	1,829,758,833	23,763,690	388,653,419	104,196,898	62,245,348	50,224,657	698,383,717	-	3,271,960,538	
2. Capital expenditure	405,804,109	121,354,193	66,252,171	335,935,083	417,960,954	577,074,662	75,900,557	1,855,936,143	-	4,252,308,303	

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XIV. OTHER SIGNIFICANT EVENTS *(continued)*

1. Operating segment information *(continued)*

Geographical information

During the six months ended 30 June 2021, 83% (2020: 84%) of the Group's operating income was derived from customers in Mainland China, and 53% (2020: 56%) of the Group's assets were located in Mainland China.

Information about a major customer

During the six months ended 30 June 2021, the Group's income from the Shanghai Gold Exchange was RMB43,847,276,258 (six months ended 30 June 2020: RMB46,278,303,963), which was mainly derived from the gold bullion segment, and the processed, refined and trading gold segment.

2. Leases

(1) As lessor

Operating leases

The Group has entered into operating leases on some of its buildings, plant, machinery and equipment and motor vehicles and the lease term is 5 years. The underlying assets are classified as investment properties and fixed assets, details are disclosed in Note V.14 and Note V.15.

The profit or loss relating to operating leases is as follows:

	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Lease income	40,520,393	28,258,928

Pursuant to the operating lease agreements entered into with lessees, the minimum lease receipts under irrevocable operating leases are as follows:

	30 June 2021	31 December 2020
Within 1 year (1 year inclusive)	31,350,481	28,425,699
Over 1 year but within 2 years (2 years inclusive)	18,849,833	21,258,213
Over 2 years but within 3 years (3 years inclusive)	17,436,036	20,957,641
Over 3 years but within 4 years (4 years inclusive)	16,720,372	20,909,908
Over 4 years but within 5 years (5 years inclusive)	15,894,174	21,821,427
Over 5 years	33,081,602	41,105,909
	133,332,498	154,478,797

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*XIV. OTHER SIGNIFICANT EVENTS *(continued)*2. Leases *(continued)*

(2) As lessee

	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Interest expenses on lease liabilities	17,323,322	14,931,399
Expenses relating to short-term leases accounting for applying practical expedients	11,577,592	9,808,340
Total cash outflow for leases	103,753,824	68,169,043

The Group has lease contracts for various items of buildings, plant, machinery and equipment, motor vehicles and other equipment used in its operations. Leases of these assets generally have lease terms of 3 to 5 years. The lease contracts for power generation and transmission equipment include extension options and purchase options of which the lease term is assessed to be 8 years.

Other information relating to leases

For right-of-use assets, please refer to Note V.17; for practical expedients of short-term leases and leases of low-value assets, please refer to Note III.30; and for lease liabilities, please refer to Note V.35.

XV. NOTES TO FINANCIAL STATEMENTS OF THE COMPANY

1. Trade receivables

Trade receivables are interest-free with a credit period of one to six months in general.

An ageing analysis of the trade receivables is as follows:

	30 June 2021	31 December 2020
Within 1 year	1,288,476,260	530,212,772
Over 1 year but within 2 years	21,818,714	42,482,074
Over 2 years but within 3 years	15,632,126	3,537,132
Over 3 years	1,428,733	1,096,875
	1,327,355,833	577,328,853
Less: Bad debt provision for trade receivables	170,575	158,251
	1,327,185,258	577,170,602

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XV. NOTES TO FINANCIAL STATEMENTS OF THE COMPANY *(continued)*

1. Trade receivables *(continued)*

Details of the Company's trade receivables for which bad debt provision has been made are as follows:

	30 June 2021				
	Carrying amount		Bad debt provision		Net book value
	Amount	Proportion (%)	Amount	Proportion (%)	
For which bad debt provision has been made individually	-	-	-	-	-
Provision for bad debts based on credit risk characteristics					
Group 1: Related parties group	1,314,551,197	99.04	-	-	1,314,551,197
Group 2: Ageing analysis group	12,804,636	0.96	170,575	1.33	12,634,061
	1,327,355,833	100	170,575	0.01	1,327,185,258

	31 December 2020				
	Carrying amount		Bad debt provision		Net book value
	Amount	Proportion (%)	Amount	Proportion (%)	
For which bad debt provision has been made individually	-	-	-	-	-
Provision for bad debts based on credit risk characteristics					
Group 1: Related parties group	567,850,378	98.36	-	-	567,850,378
Group 2: Ageing analysis group	9,478,475	1.64	158,251	1.67	9,320,224
	577,328,853	100.00	158,251	0.03	577,170,602

The Company's trade receivables with bad debt provision based on credit risk characteristics are as follows:

	30 June 2021			31 December 2020		
	Carrying amount with estimated default	Expected credit loss rate (%)	Entire lifetime expected credit losses	Carrying amount with estimated default	Expected credit loss rate (%)	Entire lifetime expected credit losses
Within 1 year	12,184,088	0.30	36,552	8,855,150	0.30	26,565
Over 1 year but within 2 years	206,518	6.00	12,391	219,646	6.00	13,179
Over 2 years but within 3 years	17,180	15.00	2,577	17,309	15.00	2,596
Over 3 years	396,850	30.00	119,055	386,370	30.00	115,911
	12,804,636		170,575	9,478,475		158,251

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)***XV. NOTES TO FINANCIAL STATEMENTS OF THE COMPANY** *(continued)***1. Trade receivables** *(continued)*

The movements of bad debt provision for the trade receivables are as follows:

	At the beginning of the year	Additions	Recovery or reversal	Write-off	At the end of the period
30 June 2021	158,251	12,324	–	–	170,575
31 December 2020	516,709	16,977	(212,017)	(163,418)	158,251

The five entities with the largest balances of trade receivables at 30 June 2021 are as follows:

Name of entity	Relationship	Closing balance	Proportion of trade receivables (%)	Ageing	Closing balance of bad debt provision
Fujian Zijin Copper Co., Ltd.	Subsidiary	574,419,680	43.28	Within 1 year	–
Zijin Copper Co., Ltd.	Subsidiary	517,094,805	38.96	Within 1 year/ Over 1 year but within 2 years/ Over 2 years but within 3 years	–
Heilongjiang Duobaoshan Copper Industry Inc.	Subsidiary	70,496,705	5.31	Within 1 year	–
Urad Rear Banner Zijin Mining Co., Ltd.	Subsidiary	26,169,808	1.97	Within 1 year/ Over 1 year but within 2 years/ Over 2 years but within 3 years/ Over 3 years	–
Hunchun Zijin Mining Co., Ltd.	Subsidiary	21,808,085	1.64	Within 1 year	–
		1,209,989,083	91.16		–

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XV. NOTES TO FINANCIAL STATEMENTS OF THE COMPANY *(continued)*

1. Trade receivables *(continued)*

The five entities with the largest balances of trade receivables at 31 December 2020 are as follows:

Name of entity	Relationship	Closing balance	Proportion of trade receivables (%)	Ageing	Closing balance of bad debt provision
Fujian Zijin Copper Co., Ltd.	Subsidiary	463,657,930	80.31	Within 1 year/ Over 1 year but within 2 years	–
Urad Rear Banner Zijin	Subsidiary	26,169,808	4.53	Within 1 year/ Over 1 year but within 2 years	–
Zijin Copper	Subsidiary	19,608,396	3.40	Within 1 year/ Over 1 year but within 2 years	–
Zijin Mining Group Gold Smelting Co., Ltd.	Subsidiary	13,207,900	2.29	Within 1 year	–
West Copper	Subsidiary	7,145,650	1.24	Within 1 year/ Over 1 year but within 2 years	–
		529,789,684	91.77		–

2. Other receivables

	30 June 2021	31 December 2020
Dividend receivables	4,644,000	177,294,000
Other receivables	7,595,579,242	9,171,349,976
	7,600,223,242	9,348,643,976

An ageing analysis of other receivables is as follows:

	30 June 2021	31 December 2020
Within 1 year	6,097,511,265	7,386,410,432
Over 1 year but within 2 years	604,486,068	962,304,631
Over 2 years but within 3 years	310,175,622	220,578,794
Over 3 years	589,252,050	607,901,882
	7,601,425,005	9,177,195,739
Less: Bad debt provision for other receivables	5,845,763	5,845,763
	7,595,579,242	9,171,349,976

Notes to Financial Statements *(continued)*

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)***XV. NOTES TO FINANCIAL STATEMENTS OF THE COMPANY** *(continued)***2. Other receivables** *(continued)*

The changes in bad debt provision for other receivables based on 12-month expected credit losses and the entire lifetime expected credit losses are as follows:

2021

	Stage 1 12-month expected credit losses	Stage 2 Entire lifetime expected credit losses	Stage 3 Financial assets with credit impairment occurred (entire lifetime)	Total
Balance at 1 January	459,111	–	5,386,652	5,845,763
Balance at 1 January during the period				
– Transferred to Stage 2	–	–	–	–
– Transferred to Stage 3	–	–	–	–
– Reversed to Stage 2	–	–	–	–
– Reversed to Stage 1	–	–	–	–
Provision during the period	–	–	28,404,074	28,404,074
Reversal during the period	–	–	–	–
Write-back during the period	–	–	–	–
Write-off during the period	–	–	(28,404,074)	(28,404,074)
Other changes	–	–	–	–
	459,111	–	5,386,652	5,845,763

31 December 2020

	Stage 1 12-month expected credit losses	Stage 2 Entire lifetime expected credit losses	Stage 3 Financial assets with credit impairment occurred (entire lifetime)	Total
Balance at 1 January	459,111	–	5,174,805	5,633,916
Balance at 1 January during the year				
– Transferred to Stage 2	–	–	–	–
– Transferred to Stage 3	–	–	–	–
– Reversed to Stage 2	–	–	–	–
– Reversed to Stage 1	–	–	–	–
Provision during the year	–	–	–	–
Reversal during the year	–	–	–	–
Write-back during the year	–	–	–	–
Write-off during the year	–	–	211,847	211,847
Other changes	–	–	–	–
	459,111	–	5,386,652	5,845,763

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XV. NOTES TO FINANCIAL STATEMENTS OF THE COMPANY *(continued)*

2. Other receivables *(continued)*

The category of other receivables by nature is as follows:

	30 June 2021	31 December 2020
Due from subsidiaries	7,350,426,213	8,878,034,382
Due from joint ventures and associates	1,579,562	20,064,785
Receivables from disposal of assets	14,000,000	14,000,000
Advanced material costs	13,839,031	20,598,095
Guarantees and deposits	8,740,370	13,901,364
Deferred expenses	34,850,309	41,305,764
Receivables from settlement of futures	35,766,853	39,709,966
Staff advances and reserve funds	3,694,118	6,062,432
Others	138,528,549	143,518,951
	7,601,425,005	9,177,195,739
Less: Bad debt provision for other receivables	5,845,763	5,845,763
	7,595,579,242	9,171,349,976

The five entities with the largest balances of other receivables at 30 June 2021 are as follows:

	Closing balance	Proportion of other receivables (%)	Nature	Ageing	Closing balance of bad debt provision
Tibet Zijin	4,257,328,494	56.01	Due from subsidiary	Within 1 year	-
Gold Mountains (H.K.)	794,160,491	10.45	Due from subsidiary	Within 1 year/ Over 1 year but within 2 years	-
Zeravshan	634,625,665	8.35	Due from subsidiary	Within 1 year/ Over 1 year but within 2 years	-
Jinhao Iron	478,355,165	6.29	Due from subsidiary	Within 1 year/ Over 1 year but within 2 years/ Over 2 years but within 3 years/ Over 3 years	-
Zijin Zinc	413,526,433	5.44	Due from subsidiary	Within 1 year/ Over 1 year but within 2 years	-
	6,577,996,248	86.54			-

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)***XV. NOTES TO FINANCIAL STATEMENTS OF THE COMPANY** *(continued)***2. Other receivables** *(continued)*

The five entities with the largest balances of other receivables at 31 December 2020 are as follows:

	Closing balance	Proportion of other receivables (%)	Nature	Ageing	Closing balance of bad debt provision
Tibet Zijin	4,897,328,494	53.36	Due from subsidiary	Within 1 year	–
Gold Mountains (H.K.)	812,831,031	8.86	Due from subsidiary	Within 1 year/ Over 1 year but within 2 years	–
Zeravshan	634,625,665	6.92	Due from subsidiary	Within 1 year/ Over 1 year but within 2 years	–
Jinhao Iron	479,151,437	5.22	Due from subsidiary	Within 1 year/ Over 1 year but within 2 years/ Over 2 years but within 3 years/ Over 3 years	–
Zijin Zinc	413,526,433	4.50	Due from subsidiary	Within 1 year/ Over 1 year but within 2 years	–
	7,237,463,060	78.86			–

3. Long-term equity investments

	30 June 2021			31 December 2020		
	Carrying amount	Impairment provision	Net book value	Carrying amount	Impairment provision	Net book value
Investments in subsidiaries	48,678,103,686	(579,556,935)	48,098,546,751	43,889,704,196	(603,556,935)	43,286,147,261
Investments in associates	2,626,845,926	–	2,626,845,926	2,093,166,090	–	2,093,166,090
	51,304,949,612	(579,556,935)	50,725,392,677	45,982,870,286	(603,556,935)	45,379,313,351

Notes to Financial Statements *(continued)*

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XV. NOTES TO FINANCIAL STATEMENTS OF THE COMPANY *(continued)*

3. Long-term equity investments *(continued)*

(i) Investments in subsidiaries

	At 1 January 2020	Additions	Reductions	At 31 December 2020	Additions	Reductions	At 30 June 2021	Provision for impairment losses at 30 June 2021
Zijin Copper	2,225,749,543	-	(2,225,749,543)	-	-	-	-	-
Zijin Mining Group Southwest Co., Ltd.	1,197,513,670	4,280,000	-	1,201,793,670	-	-	1,201,793,670	-
West Copper	936,000,000	-	-	936,000,000	-	-	936,000,000	-
Gold Mountains (H.K.)	16,892,402,837	5,757,554,337	-	22,649,957,174	1,782,746,690	-	24,432,703,864	-
Luoyang Kunyu	676,829,479	-	-	676,829,479	-	-	676,829,479	-
Finance Company	605,186,575	-	-	605,186,575	-	-	605,186,575	-
Xiamen Investment	397,061,613	-	-	397,061,613	-	-	397,061,613	-
Longnan Zijin	373,539,149	2,750,000	-	376,289,149	-	-	376,289,149	(43,019,351)
Bayannur Zijin	579,027,464	-	-	579,027,464	-	-	579,027,464	-
Northwest Company	1,141,712,879	9,170,225	(350,000,000)	800,883,104	-	(250,000,000)	550,883,104	-
South Investment	1,255,466,268	2,906,334,175	-	4,161,800,443	-	-	4,161,800,443	-
Huanmin Mining	306,000,000	-	-	306,000,000	-	-	306,000,000	-
Zijin Commercial Services	500,000,000	-	-	500,000,000	-	(300,000,000)	200,000,000	-
Shanghang Jinshan Mining Co., Ltd.	275,785,150	18,000,000	-	293,785,150	-	-	293,785,150	-
Xinyi Zijin	243,900,000	-	-	243,900,000	676,000,000	-	919,900,000	(243,900,000)
Zijin Capital	800,000,000	-	-	800,000,000	150,000,000	-	950,000,000	-
Zijin International Mining Co., Ltd.	2,306,358,435	8,319,273	(200,000,000)	2,114,677,708	-	-	2,114,677,708	-
Hunchun Zijin	139,189,081	-	(139,189,081)	-	-	-	-	-
Jilin Zijin Copper Co., Ltd.	66,447,733	3,000,000	-	69,447,733	-	-	69,447,733	-
Fujian Zijin Copper Co., Ltd.	146,222,366	-	-	146,222,366	-	-	146,222,366	-
Ashele Copper	139,335,849	-	(139,335,849)	-	-	-	-	-
Henan Jinda	129,880,000	-	-	129,880,000	-	-	129,880,000	(129,880,000)
Shanxi Zijin	127,284,118	-	-	127,284,118	-	-	127,284,118	-
Zijin Yinhui	105,000,000	-	-	105,000,000	-	-	105,000,000	-
Yunnan Huaxi	86,830,000	-	-	86,830,000	-	-	86,830,000	-
Ankang Zijin Mining Co., Ltd.	87,787,471	311,000,000	-	398,787,471	-	-	398,787,471	-
Longsheng Dexin Mining Co., Ltd.	53,550,000	-	-	53,550,000	-	-	53,550,000	-
Xiamen Zijin Mining and Metallurgy Technology Co., Ltd.	50,000,000	-	-	50,000,000	-	-	50,000,000	-

Notes to Financial Statements *(continued)*

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*XV. NOTES TO FINANCIAL STATEMENTS OF THE COMPANY *(continued)*3. Long-term equity investments *(continued)*(i) Investments in subsidiaries *(continued)*

	At 1 January 2020			At 31 December 2020			At 30 June 2021	Provision for impairment losses at 30 June 2021
	Additions	Reductions	Additions	Reductions	Additions	Reductions		
Shenzhen Zijin Metals Trading Co., Ltd.	46,000,000	-	(46,000,000)	-	-	-	-	-
Guizhou Zijin	32,744,793	1,100,000	-	33,844,793	-	(1,530,000)	32,314,793	-
Zijin Mining Group (Xiamen) Metallic Materials Co., Ltd.	25,883,651	-	-	25,883,651	-	-	25,883,651	-
Sichuan Ganzhi Zijin Mining Co., Ltd.	24,000,000	-	-	24,000,000	-	(24,000,000)	-	-
Zijin Mining Group Gold Jewelry Co., Ltd.	430,000,000	400,000	-	430,400,000	-	-	430,400,000	-
Wuping Zijin	20,429,287	-	-	20,429,287	-	-	20,429,287	-
Zijin Mining Logistics Co., Ltd.	251,539,700	-	(251,539,700)	-	-	-	-	-
Fujian Zijin Hotel Property Management Co., Ltd.	10,000,000	-	-	10,000,000	-	-	10,000,000	-
Fujian Zijin Mining and Metallurgy Testing Technology Co., Ltd.	10,000,000	-	-	10,000,000	-	-	10,000,000	-
Heilong Mining Group Co., Ltd.	1,561,220,000	-	(35,000,000)	1,526,220,000	656,652,800	-	2,182,872,800	-
Zijin Tongguan	848,453,248	-	-	848,453,248	-	-	848,453,248	(162,757,584)
Fujian Zijin Trade Co., Ltd.	-	4,000,000	-	4,000,000	-	(4,000,000)	-	-
Liancheng Jiuxin Mining Co., Ltd.	-	5,000,000	-	5,000,000	-	-	5,000,000	-
Xiamen Zixin No. 1 Investment Partnership Enterprise (Limited Partnership)	-	750,000,000	-	750,000,000	-	-	750,000,000	-
Tibet Zijin Industrial Co., Ltd.,	-	2,000,000,000	-	2,000,000,000	-	-	2,000,000,000	-
Zijin International Holdings Co., Ltd.	-	300,000,000	-	300,000,000	1,400,000,000	-	1,700,000,000	-
Zijin International Trading Co., Ltd.	-	20,000,000	-	20,000,000	110,000,000	-	130,000,000	-
Zijin Environmental Technology Co., Ltd.	-	30,000,000	-	30,000,000	20,000,000	-	50,000,000	-
Zijin Mining Tongli (Xiamen) Trading Partnership Enterprise (Limited Partnership)	-	41,280,000	-	41,280,000	-	-	41,280,000	-
Zijin Secondary School	-	-	-	-	5,000,000	-	5,000,000	-
Xiamen Zixin No. 2 Investment Partnership Enterprise (Limited Partnership)	-	-	-	-	500,000,000	-	500,000,000	-
Guizhou Zijin Gold Smelting Co., Ltd.	-	-	-	-	1,530,000	-	1,530,000	-
Xiamen Zixin Mining Co., Ltd.	-	-	-	-	66,000,000	-	66,000,000	-
	35,104,330,359	12,172,188,010	(3,386,814,173)	43,889,704,196	5,367,929,490	(579,530,000)	48,678,103,686	(579,556,935)

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XV. NOTES TO FINANCIAL STATEMENTS OF THE COMPANY *(continued)*

3. Long-term equity investments *(continued)*

(ii) Investments in associates

30 June 2021

Investee	At 1 January 2021	Movements during the period							Provision for impairment losses at 30 June 2021	
		Additions	Reductions	Investment income/(losses) under the equity method	Other comprehensive income	Other changes in equity	Cash dividends declared by investee	Provision for impairment losses		Additional investment and becoming investments in subsidiaries
Makeng Mining	996,371,405	-	-	248,198,122	-	-	-	-	-	1,244,569,527
Yulong Copper	760,722,275	-	-	278,062,617	-	-	-	-	-	1,038,784,892
Songpan Zijin	39,249,785	-	-	-	-	-	-	-	-	39,249,785
Wancheng Commercial	47,209,809	-	-	13,632,094	-	-	(6,500,000)	-	-	54,341,903
Evergreen New Energy	28,930,327	-	-	3,302,657	-	-	-	-	-	32,232,984
Caixi Cultural	3,000,000	-	-	-	-	-	-	-	-	3,000,000
Sino-Zijin Resources	217,682,489	-	-	(3,015,654)	-	-	-	-	-	214,666,835
	2,093,166,090	-	-	540,179,836	-	-	(6,500,000)	-	-	2,626,845,926

31 December 2020

Investee	At 1 January 2020	Movements during the year							Provision for impairment losses at 31 December 2020	
		Additions	Reductions	Investment income/(losses) under the equity method	Other comprehensive income	Other changes in equity	Cash dividends declared by investee	Provision for impairment losses		Additional investment and becoming investments in subsidiaries
Makeng Mining	877,501,833	-	-	118,869,572	-	-	-	-	-	996,371,405
Yulong Copper	677,621,434	-	-	83,100,841	-	-	-	-	-	760,722,275
Songpan Zijin	39,249,785	-	-	-	-	-	-	-	-	39,249,785
Wancheng Commercial	41,500,998	-	-	12,208,811	-	-	(6,500,000)	-	-	47,209,809
Fujian Kingkop	1,154,565	-	(1,036,085)	(118,480)	-	-	-	-	-	-
Evergreen New Energy	27,123,266	-	-	1,807,061	-	-	-	-	-	28,930,327
Caixi Cultural	3,000,000	-	-	-	-	-	-	-	-	3,000,000
Sino-Zijin Resources	-	217,810,400	-	(127,911)	-	-	-	-	-	217,682,489
	1,667,151,881	217,810,400	(1,036,085)	215,739,894	-	-	(6,500,000)	-	-	2,093,166,090

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*XV. NOTES TO FINANCIAL STATEMENTS OF THE COMPANY *(continued)*

4. Fixed assets

30 June 2021

	Buildings	Mining assets	Power generation and transmission equipment	Plant, machinery and equipment	Motor vehicles	Furniture and fixtures and others	Total
Cost							
At 1 January 2021	811,291,937	5,121,960,747	55,817,259	1,163,605,784	83,909,718	120,625,797	7,357,211,242
Purchases	-	75,615,561	8,411	16,886,731	5,708,726	11,754,891	109,974,320
Transfers from construction in progress	1,520,681	54,887,060	746,235	480,736	-	-	57,634,712
Disposals or write-off	-	-	-	(52,363,787)	(2,362,567)	(1,592,967)	(56,319,321)
At 30 June 2021	812,812,618	5,252,463,368	56,571,905	1,128,609,464	87,255,877	130,787,721	7,468,500,953
Accumulated depreciation							
At 1 January 2021	325,530,060	2,807,602,928	35,978,856	750,840,417	68,026,727	78,737,039	4,066,716,027
Depreciation for the period	16,588,092	126,854,769	955,598	49,010,709	2,981,081	5,413,052	201,803,301
Disposals or write-off	-	-	-	(46,761,327)	(2,291,690)	(1,183,243)	(50,236,260)
At 30 June 2021	342,118,152	2,934,457,697	36,934,454	753,089,799	68,716,118	82,966,848	4,218,283,068
Impairment provision							
At 1 January 2021	-	285,118	13,157	2,028,639	-	1,632	2,328,546
Impairment provided for the period	-	-	-	-	-	-	-
Disposals or write-off	-	-	-	(12,213)	-	-	(12,213)
At 30 June 2021	-	285,118	13,157	2,016,426	-	1,632	2,316,333
Net book value							
At 30 June 2021	470,694,466	2,317,720,553	19,624,294	373,503,239	18,539,759	47,819,241	3,247,901,552
At 1 January 2021	485,761,877	2,314,072,701	19,825,246	410,736,728	15,882,991	41,887,126	3,288,166,669

Notes to Financial Statements (continued)

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XV. NOTES TO FINANCIAL STATEMENTS OF THE COMPANY (continued)

4. Fixed assets (continued)

31 December 2020

	Buildings	Mining assets	Power generation and transmission equipment	Plant, machinery and equipment	Motor vehicles	Furniture and fixtures and others	Total
Cost							
At 1 January 2020	806,517,255	4,829,561,070	55,766,308	1,106,256,151	82,674,273	110,375,846	6,991,150,903
Purchases	876,022	132,962,207	334,396	54,345,123	8,640,122	14,033,456	211,191,326
Transfers from construction in progress	4,105,151	176,723,690	–	10,298,886	–	647,863	191,775,590
Disposals or write-off	(206,491)	(17,286,220)	(283,445)	(7,294,376)	(7,404,677)	(4,431,368)	(36,906,577)
At 31 December 2020	811,291,937	5,121,960,747	55,817,259	1,163,605,784	83,909,718	120,625,797	7,357,211,242
Accumulated depreciation							
At 1 January 2020	287,910,266	2,472,561,267	33,885,928	666,534,968	69,572,843	75,104,202	3,605,569,474
Depreciation for the year	37,826,285	346,711,583	2,173,119	88,710,224	5,628,734	7,260,957	488,310,902
Disposals or write-off	(206,491)	(11,669,922)	(80,191)	(4,404,775)	(7,174,850)	(3,628,120)	(27,164,349)
At 31 December 2020	325,530,060	2,807,602,928	35,978,856	750,840,417	68,026,727	78,737,039	4,066,716,027
Impairment provision							
At 1 January 2020	–	285,118	13,157	2,091,878	–	1,632	2,391,785
Impairment provided for the year	–	–	–	–	–	–	–
Disposals or write-off	–	–	–	(63,239)	–	–	(63,239)
At 31 December 2020	–	285,118	13,157	2,028,639	–	1,632	2,328,546
Net book value							
At 31 December 2020	485,761,877	2,314,072,701	19,825,246	410,736,728	15,882,991	41,887,126	3,288,166,669
At 1 January 2020	518,606,989	2,356,714,685	21,867,223	437,629,305	13,101,430	35,270,012	3,383,189,644

Fixed assets that are temporarily idle are as follows:

30 June 2021

	Cost	Accumulated depreciation	Impairment provision	Net book value
Mining assets	395,591	(383,724)	–	11,867
Plant, machinery and equipment	18,425,725	(15,546,747)	(350,069)	2,528,909
Furniture and fixtures and others	336,498	(326,403)	–	10,095
	19,157,814	(16,256,874)	(350,069)	2,550,871

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XV. NOTES TO FINANCIAL STATEMENTS OF THE COMPANY *(continued)*

4. Fixed assets *(continued)*

 Fixed assets that are temporarily idle are as follows: *(continued)*

31 December 2020

	Cost	Accumulated depreciation	Impairment provision	Net book value
Mining assets	395,591	(383,724)	–	11,867
Plant, machinery and equipment	21,427,090	(17,997,808)	(362,282)	3,067,000
Furniture and fixtures and others	336,498	(326,403)	–	10,095
	22,159,179	(18,707,935)	(362,282)	3,088,962

As at 30 June 2021, fixed assets of which certificates of title have not been obtained are as follows:

	Net book value	Reason why certificates of title have not been obtained
Buildings	6,853,313	In the process of application

As at 31 December 2020, fixed assets of which certificates of title have not been obtained are as follows:

	Net book value	Reason why certificates of title have not been obtained
Buildings	7,020,956	In the process of application

5. Construction in progress

	30 June 2021	31 December 2020
Construction in progress	477,008,207	422,579,942
Construction materials	2,325,645	2,381,508
	479,333,852	424,961,450

Construction in progress

30 June 2021			31 December 2020		
Carrying amount	Impairment provision	Net book value	Carrying amount	Impairment provision	Net book value
477,008,207	–	477,008,207	422,579,942	–	422,579,942

Notes to Financial Statements (continued)

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XV. NOTES TO FINANCIAL STATEMENTS OF THE COMPANY (continued)

5. Construction in progress (continued)

Construction in progress (continued)

The movements of important construction in progress for the six months ended 30 June 2021 are as follows:

	Budget	At 1 January 2021	Additions	Transferred to fixed assets	Other reductions	At 30 June 2021	Contribution in budget	Progress of project	Balance of capitalised interest as at 30 June 2021	Including: capitalised interest for the period	Interest rate of capitalisation (%)	Source of funds
Zijinshan Copper Mine infrastructure project	375,812,000	267,436,393	84,021,146	(49,282,517)	-	302,175,022	94%	91%	-	-	Not applicable	Equity fund
Zijinshan Gold Mine infrastructure project	8,472,195	6,850,295	1,621,500	(8,352,195)	-	120,000	100%	100%	-	-	Not applicable	Equity fund
Others	-	148,293,254	26,419,931	-	-	174,713,185	-	-	-	-	Not applicable	Equity fund
Subtotal	384,284,195	422,579,942	112,062,577	(57,634,712)	-	477,008,207	-	-	-	-	-	-
Impairment provision for construction in progress	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	422,579,942	-	-	-	477,008,207	-	-	-	-	-	-

The movements of important construction in progress for the year ended 31 December 2020 are as follows:

	Budget	At 1 January 2020	Additions	Transferred to fixed assets	Other reductions	At 31 December 2020	Contribution in budget	Progress of project	Balance of capitalised interest as at 31 December 2020	Including: capitalised interest for the year	Interest rate of capitalisation (%)	Source of funds
Zijinshan Copper Mine infrastructure project	644,071,000	299,291,094	164,220,588	(191,005,947)	(5,069,342)	267,496,393	42%	56%	-	-	Not applicable	Equity fund
Zijinshan Gold Mine infrastructure project	10,379,235	-	7,867,982	(430,519)	(387,168)	6,850,295	66%	70%	-	-	Not applicable	Equity fund
Others	-	48,020,429	100,611,949	(339,124)	-	148,293,254	-	-	-	-	Not applicable	Equity fund
Subtotal	654,450,235	347,311,523	272,700,519	(191,775,590)	(5,656,510)	422,579,942	-	-	-	-	-	-
Impairment provision for construction in progress	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	347,311,523	-	-	-	422,579,942	-	-	-	-	-	-

For the six months ended 30 June 2021 and the year ended 31 December 2020, there were no borrowing costs eligible for capitalisation of the Company.

As at 30 June 2021 and 31 December 2020, there was no impairment provision for construction in progress of the Company.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*XV. NOTES TO FINANCIAL STATEMENTS OF THE COMPANY *(continued)*

6. Intangible assets

30 June 2021

	Exploration and mining rights	Land use rights	Membership of Shanghai Gold Exchange and others	Total
Cost				
At 1 January 2021	388,144,802	94,547,535	36,230,613	518,922,950
Purchases	–	3,404,840	1,356,036	4,760,876
Disposals or write-off	–	–	–	–
At 30 June 2021	388,144,802	97,952,375	37,586,649	523,683,826
Accumulated amortisation				
At 1 January 2021	210,716,885	28,827,839	17,120,263	256,664,987
Amortisation provided for the period	2,256,150	1,379,544	2,005,114	5,640,808
Disposals or write-off	–	–	–	–
At 30 June 2021	212,973,035	30,207,383	19,125,377	262,305,795
Impairment provision				
At 1 January 2021	–	–	–	–
Impairment provided for the period	–	–	–	–
Disposals or write-off	–	–	–	–
At 30 June 2021	–	–	–	–
Net book value				
At 30 June 2021	175,171,767	67,744,992	18,461,272	261,378,031
At 1 January 2021	177,427,917	65,719,696	19,110,350	262,257,963

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XV. NOTES TO FINANCIAL STATEMENTS OF THE COMPANY *(continued)*

6. Intangible assets *(continued)*

31 December 2020

	Exploration and mining rights	Land use rights	Membership of Shanghai Gold Exchange and others	Total
Cost				
At 1 January 2020	388,144,802	94,547,535	32,225,351	514,917,688
Purchases	–	–	4,005,262	4,005,262
Disposals or write-off	–	–	–	–
At 31 December 2020	388,144,802	94,547,535	36,230,613	518,922,950
Accumulated amortisation				
At 1 January 2020	206,204,585	26,087,667	12,699,039	244,991,291
Amortisation provided for the year	4,512,300	2,740,172	4,421,224	11,673,696
Disposals or write-off	–	–	–	–
At 31 December 2020	210,716,885	28,827,839	17,120,263	256,664,987
Impairment provision				
At 1 January 2020	–	–	–	–
Impairment provided for the year	–	–	–	–
Disposals or write-off	–	–	–	–
At 31 December 2020	–	–	–	–
Net book value				
At 31 December 2020	177,427,917	65,719,696	19,110,350	262,257,963
At 1 January 2020	181,940,217	68,459,868	19,526,312	269,926,397

7. Long-term deferred assets

30 June 2021

	At 1 January 2021	Additions	Amortisation	Other reductions	At 30 June 2021
Forest compensation expenditure (Note 1)	54,606,719	–	(5,415,877)	–	49,190,842
Land compensation costs (Note 2)	24,965,996	586,089	(1,883,469)	–	23,668,616
Others	120,366,238	19,175,133	(32,448,475)	–	107,092,896
	199,938,953	19,761,222	(39,747,821)	–	179,952,354

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*XV. NOTES TO FINANCIAL STATEMENTS OF THE COMPANY *(continued)*7. Long-term deferred assets *(continued)*

31 December 2020

	At 1 January 2020	Additions	Amortisation	Other reductions	At 31 December 2020
Forest compensation expenditure (Note 1)	57,419,851	8,827,500	(11,640,632)	–	54,606,719
Land compensation costs (Note 2)	27,394,689	–	(2,428,693)	–	24,965,996
Others	137,675,872	45,598,183	(60,467,267)	(2,440,550)	120,366,238
	222,490,412	54,425,683	(74,536,592)	(2,440,550)	199,938,953

Note 1: The forest compensation expenditure relates to the compensation for the damage to forests at the mining sites for production and construction needs. The amortisation period is 10 years.

Note 2: The land compensation costs relate to the compensation for the occupation of lands at the mining sites for production and construction needs. The amortisation period ranges from 5 to 50 years.

8. Other non-current assets

	30 June 2021	31 December 2020
Long-term receivables	10,451,594,313	11,203,406,277
Exploration and development costs	138,139,505	138,143,778
Prepaid investment costs, prepayments for exploration and mining rights and others	1,102,618,473	1,102,618,473
	11,692,352,291	12,444,168,528

9. Trade payables

Trade payables are interest-free and normally settled within four months.

As at 30 June 2021 and 31 December 2020, the Company had no significant trade payables aged more than one year.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XV. NOTES TO FINANCIAL STATEMENTS OF THE COMPANY *(continued)*

10. Bonds payable

On 11 September 2015, the Company issued medium-term notes with a face value of RMB3.3 billion and a maturity of 5 years, which matured and were settled in September 2020. On 15 July 2016, the Company issued corporate bonds with a face value of RMB1.2 billion through the Shanghai Stock Exchange. The bonds have a maturity of 5 years, an annual interest rate of 3.45% and will mature in July 2021. Therefore, the bonds are classified as the current portion of bonds payable.

Pursuant to the approval of the CSRC on 17 February 2016, the Company issued corporate bonds with a face value of RMB2 billion through the Shanghai Stock Exchange on 18 March 2016. The bonds have a maturity of 5 years, and an annual interest rate of 3.37%. On 18 March 2016, the Company issued corporate bonds with a face value of RMB3 billion through the Shanghai Stock Exchange. The bonds have a maturity of 5 years, and an annual interest rate of 2.99%, with terms that the issuer has an option to adjust the interest rate and investors have a sell-back option at the end of the third year. The Company exercised the sell-back option in 2019. On 15 July 2016, the Company issued corporate bonds with a face value of RMB1.8 billion through the Shanghai Stock Exchange. The bonds have a maturity of 5 years, and an annual interest rate of 3.05%, with terms that the issuer has an option to adjust the interest rate and investors have a sell-back option at the end of the third year. The Company exercised the sell-back option in 2019. On 15 July 2016, the Company issued corporate bonds with a face value of RMB1.2 billion through the Shanghai Stock Exchange. The bonds have a maturity of 5 years, and an annual interest rate of 3.45%. The interest payments of the above corporate bonds shall be settled annually and the principal shall be repaid in full upon their maturities.

In the year 2019, the Company, through the Interbank Market Clearing House Co., Ltd., issued medium-term notes. Among which, the Company issued medium-term notes with a face value of RMB1.5 billion, a maturity of 3 years and an annual interest rate of 3.80% on 11 March 2019; issued medium-term notes with a face value of RMB1.0 billion, a maturity of 5 years and an annual interest rate of 4.30% on 11 March 2019; issued medium-term notes with a face value of RMB1.0 billion, a maturity of 5 years and an annual interest rate of 3.70% on 8 July 2019; issued medium-term notes with a face value of RMB2.5 billion, a maturity of 5 years and an annual interest rate of 3.95% on 30 August 2019. The interest payments of the above medium-term notes shall be settled annually and the principals shall be repaid in full upon their maturities.

In the year 2020, the Company, through the Interbank Market Clearing House Co., Ltd., issued medium-term notes. Among which, the Company issued medium-term notes with a face value of RMB1.0 billion, a maturity of 5 years and an annual interest rate of 3.51%, and issued medium-term notes with a face value of RMB1.0 billion, a maturity of 3 years and an annual interest rate of 3.10% on 21 February 2020; issued medium-term notes with a face value of RMB2.0 billion, a maturity of 3 years and an annual interest rate of 4.20% on 23 November 2020. The interest payments of the above medium-term notes shall be settled annually and the principals shall be repaid in full upon their maturities.

In the year 2021, the Company, through the Interbank Market Clearing House Co., Ltd., issued medium-term notes. The Company issued carbon neutral bonds with a face value of RMB300 million, a maturity of 3 years and an annual interest rate of 3.71% on 27 April 2021; the Company, through China Securities Depository and Clearing Corporation Limited, issued corporate bonds with a face value of RMB1.5 billion, a maturity of 3 years and an annual interest rate of 3.46%, and corporate bonds with a face value of RMB0.5 billion, a maturity of 5 years and an annual interest rate of 3.87% on 3 June 2021. The interest payments of the above medium-term notes shall be settled annually and the principals shall be repaid in full upon their maturities.

As at 30 June 2021 and 31 December 2020, the Company had no overdue bonds.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)*XV. NOTES TO FINANCIAL STATEMENTS OF THE COMPANY *(continued)*

11. Long-term payables

	30 June 2021	31 December 2020
Entrusted investments	223,933,556	201,368,782
Loans from a shareholder	12,060,000	14,860,000
Others	6,250,000,000	3,750,000,000
	6,485,993,556	3,966,228,782
Including: Current portion of long-term payables	(25,364,774)	(2,800,000)
	6,460,628,782	3,963,428,782

* Maturity analysis of long-term payables is as follows:

	30 June 2021	31 December 2020
Within 1 year or repayable on demand	25,364,774	2,800,000
Over 1 year but within 2 years	2,800,000	2,800,000
Over 2 years but within 5 years	6,256,460,000	3,758,400,000
Over 5 years	201,368,782	202,228,782
	6,485,993,556	3,966,228,782

12. Operating income and operating costs

	For the six months ended 30 June 2021		For the six months ended 30 June 2020	
	Operating income	Operating costs	Operating income	Operating costs
Principal operations	2,700,340,053	908,648,424	1,878,563,034	988,159,220
Other operations	282,586,678	106,143,735	236,212,560	69,625,787
	2,982,926,731	1,014,792,159	2,114,775,594	1,057,785,007

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XV. NOTES TO FINANCIAL STATEMENTS OF THE COMPANY *(continued)*

13. Financial expenses

	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Interest expenses	700,143,815	500,961,640
<i>Including: Bank borrowings</i>	189,417,799	204,842,460
<i>Bonds payable</i>	317,360,766	280,924,796
<i>Ultra short-term financing bonds</i>	9,234,247	15,194,384
Less: Interest income	337,837,343	276,254,537
Exchange differences	20,036,761	(40,826,308)
Bank charges	13,051,335	14,495,571
Amortisation of unrecognised finance expenses	6,859,751	7,445,787
	402,254,319	205,822,153

For the six months ended 30 June 2021 and 30 June 2020, the Company incurred no capitalised interest expenses, and none of the above interest income was generated from impaired financial assets.

14. Impairment losses on assets and credit impairment (losses)/gains

	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Credit impairment (losses)/gains		
Bad debt (provision)/reversal for trade receivables	(12,324)	209,449
Bad debt provision for other receivables	(28,404,074)	–
	(28,416,398)	209,449
Impairment losses on assets		
Provision for decline in value of inventories	–	(2,861,192)
	–	(2,861,192)

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)***XV. NOTES TO FINANCIAL STATEMENTS OF THE COMPANY** *(continued)*

15. Investment income

	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Income from long-term equity investments under the cost method	406,812,847	746,831,500
Income from long-term equity investments under the equity method	540,179,836	105,978,775
Losses on disposal of subsidiaries	(2,635,964)	–
Gains/(Losses) on disposal of financial assets and financial liabilities at fair value through profit or loss	151,600,636	(43,974,238)
Dividend income from other equity instrument investments during the holding period	13,616,500	16,200,000
Others	808,890	363,915
	1,110,382,745	825,399,952

16. Supplementary information to the statement of cash flows

(1) Supplementary information to the statement of cash flows

Reconciliation of net profit to cash flows from operating activities:

	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Net profit	1,521,347,174	1,096,811,811
Add: Provisions for asset impairment	28,416,398	2,651,743
Depreciation of fixed assets	201,803,302	240,016,981
Depreciation of right-of-use assets	–	675,385
Amortisation of intangible assets	5,640,808	5,692,033
Amortisation of long-term deferred assets	39,747,821	35,695,484
Gains on disposal of fixed assets, intangible assets and other long-term assets	(473,771)	(321,313)
Losses on write-off of fixed assets	–	2,183,936
Losses/(Gains) on changes in fair value	114,731,200	(14,107,677)
Financial expenses	437,433,770	220,091,491
Investment income	(1,110,026,421)	(843,590,239)
Increase in deferred tax assets	(24,359,418)	(2,633,088)
Decrease in inventories	23,799,237	34,409,960
(Increase)/Decrease in receivables from operating activities	(676,702,902)	337,460,336
Increase in payables from operating activities	211,805,136	532,053,469
Net cash flows from operating activities	773,162,334	1,647,090,312

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XV. NOTES TO FINANCIAL STATEMENTS OF THE COMPANY *(continued)*

16. Supplementary information to the statement of cash flows *(continued)*

(1) Supplementary information to the statement of cash flows *(continued)*

Net changes in cash and cash equivalents:

	30 June 2021	31 December 2020
Closing balance of cash	6,570,846,208	4,639,641,199
Less: Opening balance of cash	4,639,641,199	1,445,704,014
Add: Closing balance of cash equivalents	101,078,246	67,586,111
Less: Opening balance of cash equivalents	67,586,111	111,083,410
Net increase in cash and cash equivalents	1,964,697,144	3,150,439,886

(2) Cash and cash equivalents

	30 June 2021	31 December 2020
Cash	6,570,846,208	4,639,641,199
<i>Including: Cash on hand</i>	23,094	27,530
<i>Cash at banks that can be readily drawn on demand</i>	6,570,823,114	4,639,613,669
Cash equivalents	101,078,246	67,586,111
Closing balance of cash and cash equivalents at the end of the period	6,671,924,454	4,707,227,310

17. Commitments

	30 June 2021	31 December 2020
Capital commitments (Note 1)	6,954,591	14,301,007

Note 1: As at 30 June 2021, the amount of capital commitments relating to acquisition and construction of plant, machinery and equipment and mining assets totalled RMB6,954,591 (31 December 2020: RMB14,301,007).

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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*(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)***XVI. SUPPLEMENTARY INFORMATION****1. Summary of non-recurring profit or loss**

Item	For the six months ended 30 June 2021
Net profit attributable to owners of the parent	6,649,028,398
Add/(Less): Net losses on disposal of non-current assets	40,626,005
Government grants recognised in the statement of profit or loss for the current period	(157,534,876)
Gains or losses on changes in fair value arising from held for trading financial assets and held for trading financial liabilities, and investment income or losses on disposal of held for trading financial assets and held for trading financial liabilities, except for the effective hedging business and gold leasing relating to the Group's normal business operations	172,764,851
Capital utilisation fee received from non-financial enterprises recognised in profit or loss for the current period	(339,899,832)
Investment losses on disposal of long-term equity investments	3,558,508
Non-operating income and expenses other than the aforesaid items	124,162,798
Other profit or loss items that meet the definition of non-recurring profit or loss (Note 1)	(601,500,896)
	5,891,204,956
Impact on income tax	(36,022,512)
	5,855,182,444
Impact on the non-controlling interests (after tax)	257,417,826
	6,112,600,270

The non-recurring profit or loss of the Group was recognised under the CSRC Announcement [2008] No. 43, Explanatory Announcement No.1 on Information Disclosure and Presentation Rules for Companies Making Public Offering of Securities – Non-recurring Profit or Loss. The effective hedging business and gold leasing transactions of the Group are directly related to the normal business operations, of which the underlying assets are the mineral products or similar metal products of the Group, which are aimed at reducing the risk of significant profitability fluctuation from normal business operations in light of price fluctuation. Effective hedging business and gold leasing transactions are frequent and the Group has continued and will continue to engage in such transactions in the foreseeable future. For the abovementioned reasons, the profit or loss on effective hedging business and gold leasing transactions is not classified as non-recurring profit or loss.

Note 1: Including the provisions related to the exposures at default of Julong Copper, which is calculated as expected total guarantee risk exposures less the value of the pledged shares and the estimated value of the secured equipment. The reversal of credit impairment loss for the reporting period was RMB588,878,419.

Notes to Financial Statements *(continued)*

For the six months ended 30 June 2021

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XVI. SUPPLEMENTARY INFORMATION *(continued)*

2. Return on net assets and earnings per share

For the six months ended 30 June 2021	Return on net assets (%)		Earnings per share		
	Fully diluted	Weighted average	Basic	Diluted	
Net profit attributable to ordinary shareholders of the parent	6,649,028,398	9.94	11.04	0.262	0.262
Net profit after non-recurring profit or loss attributable to ordinary shareholders of the parent	6,112,600,270	9.14	10.14	0.241	0.241

For the six months ended 30 June 2020	Return on net assets (%)		Earnings per share		
	Fully diluted	Weighted average	Basic	Diluted	
Net profit attributable to ordinary shareholders of the parent	2,421,386,475	4.81	5.41	0.095	0.095
Net profit after non-recurring profit or loss attributable to ordinary shareholders of the parent	2,419,834,130	4.81	5.41	0.095	0.095

The abovementioned return on net assets and earnings per share were calculated according to the Information Disclosure and Presentation Rules for Companies Making Public Offering of Securities No. 9 - Calculation and Disclosure of Return on Net Assets and Earnings Per Share (2010 revision) issued by the CSRC.



紫金礦業集團股份有限公司
ZIJIN MINING GROUP COMPANY LIMITED*