



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)

(A Share Stock Code : 601899 H Share Stock Code : 2899)

ANNUAL REPORT 2022

為人類美好生活
提供低碳礦物原料

Providing the Materials that Improve
Standards of Living in a Low Carbon Future

Our Goal: To be a green, high-tech, leading global mining company

Our Purpose: Mining for a better society

Our Values: To deliver long-term value for common development

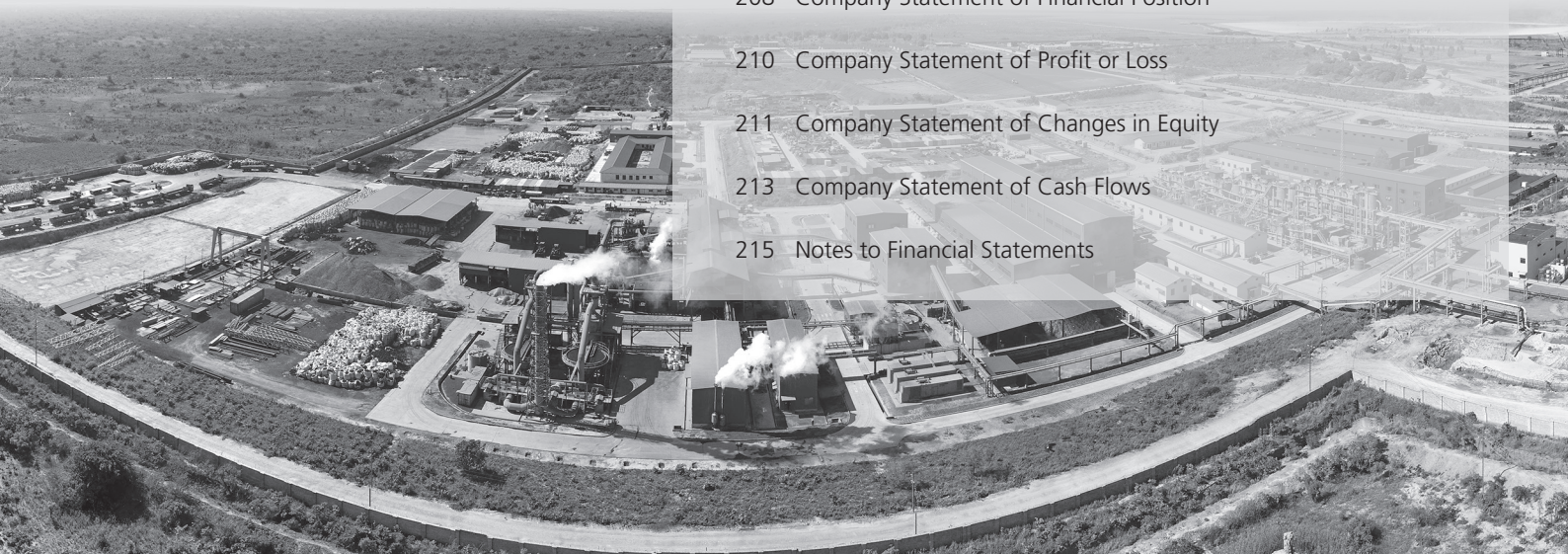
Enterprise Spirit: Perseverance, Entrepreneurship, Innovation

Our Vision: To become a globally respected producer of green metals



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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*)
 Zou Laichang (*Vice-chairman (appointed on 30 December 2022) and president*)
 Lin Hongfu
 Lin Hongying
 Xie Xionghui
 Wu Jianhui (*Appointed on 30 December 2022*)
 Lan Fusheng (*Resigned as vice-chairman and executive Director on 29 December 2022*)

NON-EXECUTIVE DIRECTOR

Li Jian

INDEPENDENT NON-EXECUTIVE DIRECTORS

He Fulong (*Appointed as Convener of Independent Directors on 30 December 2022*)
 Mao Jingwen
 Li Changqing
 Suen Man Tak
 Bo Shao Chuan
 Wu Xiaomin (*Appointed on 30 December 2022*)
 Zhu Guang (*Resigned on 17 June 2022*)

AUDIT AND INTERNAL CONTROL COMMITTEE

Li Changqing (*Chief officer*)
 Wu Xiaomin (*Deputy officer (appointed on 30 December 2022)*)
 He Fulong (*Deputy officer from 1 January 2022 to 29 December 2022*)
 Suen Man Tak
 Bo Shao Chuan
 Li Jian (*Resigned as a committee member on 29 December 2022*)
 Zhu Guang (*Resigned as a committee member on 17 June 2022*)

AUTHORISED REPRESENTATIVE

Chen Jinghe
 Xie Xionghui (*Appointed on 30 December 2022*)
 Lan Fusheng (*Resigned on 29 December 2022*)

SUPERVISORS

Lin Shuiqing
 Cao Sanxing
 Liu Wenhong
 Qiu Shujin (*Appointed on 30 December 2022*)
 Lin Yan (*Appointed on 30 December 2022*)
 Fan Wensheng (*Resigned on 29 December 2022*)
 Xu Qiang (*Resigned on 29 December 2022*)

COMPANY SECRETARIES

Zhang Yan (*Appointed as joint company secretary (Hong Kong) on 8 January 2023*)
 Ho Kin Wai (*Appointed as joint company secretary (Hong Kong) on 8 January 2023*)
 Fan Cheung Man (*Resigned on 29 December 2022*)

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)

DeHeng Law Offices (Hong Kong) LLP

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
 183 Queen's Road East, Wanchai, Hong Kong

WEBSITE

www.zjky.cn

STOCK CODE

Hong Kong Stock Exchange: 02899
 Shanghai Stock Exchange: 601899

Corporate Information *(continued)*

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

DEFINITION

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, 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
Aurora	AGM Inc., a wholly-owned subsidiary of the Company
Bayannur Zijin	Bayannur Zijin Non-ferrous Metals Co., Ltd., a subsidiary of the Company
Bisha	Bisha Mining Share Company, a subsidiary of the Company
Board, Board of Directors	The board of Directors of the Company
CAD	Canadian dollar, the lawful currency of Canada
COMMUS	La Compagnie Minière de Musonoié Global Société par Actions Simplifiée, a subsidiary of the Company
Company, Group, Zijin, Zijin Mining	Zijin Mining Group Co., Ltd.*
Cross-Strait Gold Jewelry Industrial Park	Xiamen Cross-Strait Gold Jewelry Industrial Park Co., Ltd., a subsidiary of the Company
CSRC	China Securities Regulatory Commission
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
Ernst and Young	Ernst & Young Hua Ming LLP
Fujian Zijin Copper	Fujian Zijin Copper Co., Ltd., a wholly-owned subsidiary of the Company
Gold Mountains (H.K.)	Gold Mountains (H.K.) International Mining Company Limited, 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
Heilongjiang Zijin Copper	Heilongjiang Zijin Copper Co., Ltd., a wholly-owned subsidiary of the Company
HKD	Hong Kong dollar, the lawful currency of Hong Kong
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., a wholly-owned subsidiary of the Company
Ivanhoe	Ivanhoe Mines Ltd.
Jiayou International	Jiayou International Logistics Co., Ltd., an associate of the Company
Jilin Zijin Copper	Jilin Zijin Copper Co., Ltd., a subsidiary of the Company
Julong Copper	Tibet Julong Copper Co., Ltd., a subsidiary of the Company
Kamoa Copper, Kamoa	Kamoa Copper S.A.
Liex	Liex S.A., a wholly-owned subsidiary of the Company
Listing Rules	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
Longking	Fujian Longking Co., Ltd., a subsidiary of the Company
Longnan Zijin	Longnan Zijin Mining Co., Ltd., a subsidiary of the Company
Longxing	Longxing Limited Liability Company, a subsidiary of the Company
Luoyang Kunyu	Luoyang Kunyu Mining Co., Ltd., 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, a wholly-owned subsidiary of the Company
Papua New Guinea	Independent State of Papua New Guinea
PRC, China	The People's Republic of China

Corporate Information *(continued)*

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

RMB	Renminbi, the lawful currency of the PRC
Serbia Zijin Copper	Serbia Zijin Copper Doo, a subsidiary of the Company
Serbia Zijin Mining	Serbia Zijin Mining Doo, a wholly-owned subsidiary of the Company
SFO	Securities and Futures Ordinance (Cap.571 of the laws of Hong Kong)
Shanghai Stock Exchange, SSE	Shanghai Stock Exchange
Shanxi Zijin	Shanxi Zijin Mining Co., Ltd., a wholly-owned subsidiary of the Company
South Investment	Zijin Mining Group South Investment Co., Ltd., a wholly-owned subsidiary of the Company
Supervisor(s)	The supervisor(s) of the Company
Supervisory Committee	The supervisory committee of the Company
Urad Rear Banner Zijin	Urad Rear Banner Zijin Mining Co., Ltd., 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
Xinjiang Zijin Non-ferrous	Xinjiang Zijin Non-ferrous Metals Co., Ltd., a wholly-owned subsidiary of the Company
Zeravshan	Joint Venture Zeravshan Limited Liability Company, a subsidiary of the Company
Zhaojin Mining	Zhaojin Mining Industry Co., Ltd., an associate of the Company
Zijin Copper	Zijin Copper Co., Ltd., a wholly-owned subsidiary of the Company
Zijin Copper Foil	Fujian Zijin Copper Foil Technology Co., Ltd., a subsidiary of the Company
Zijin Finance	Zijin Mining Group Finance Co., Ltd., a subsidiary of the Company
Zijin Gold Smelting	Zijin Mining Group Gold Smelting Co., Ltd., a wholly-owned subsidiary of the Company
Zijin International Trading	Zijin International Trading Co., Ltd., a wholly-owned subsidiary of the Company
Zijin Yinhui	Luoyang Zijin Yinhui Gold Refinery Co., Ltd., a wholly-owned subsidiary of the Company
Zijin Zinc	Xinjiang Zijin Zinc Co., Ltd., a wholly-owned subsidiary of the Company

Corporate Information *(continued)*

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GENERAL

Zijin Mining Group Company Limited* (formerly known as Fujian Zijin Mining Industry Company Limited*) was incorporated on 6 September 2000 with the approval of the People's Government of Fujian Province as a joint stock limited company in the PRC by Minxi Xinghang State-owned Assets Investment Company Limited, Shanghang County Jinshan Trading Company Limited, Xinhua Industrial Group Company Limited, Fujian Xinhua Engineering Company Limited, Xiamen Hengxing Group Company Limited, Fujian Xinhua Department Store Company Limited, Fujian Gold Group Company Limited and Fujian Minxi Geologist as its promoters.

In December 2003, the Company was listed on the Hong Kong Stock Exchange. The Company was the first Mainland gold production enterprise listed overseas. In 2004, 2005, 2006 and 2007, for 4 consecutive years the Company applied reserves to issue new shares, and in April 2008, the Company issued 1.4 billion A Shares at RMB7.13 per share and was listed on the Shanghai Stock Exchange on 25 April 2008 at a nominal value of RMB0.1 each. Pursuant to a resolution in relation to the proposal of conversion of capital reserve into share capital considered and approved at the 2010 annual general meeting, on the basis of 5 new shares for every 10 existing shares, additional 7,270,654,550 shares were issued on the basis of a total of 14,541,309,100 issued shares at the end of 2010. After the conversion, the total number of shares increased to 21,811,963,650 shares. The Company implemented repurchase of H Shares from 21 August 2013 to 13 January 2016 and repurchased 271,220,000 H Shares in total. The shares repurchased mentioned above were cancelled. The total number of shares of the Company decreased by 271,220,000, and the registered capital decreased by RMB27,122,000. After the deduction, the total number of shares of the Company was 21,540,743,650, and the registered capital was RMB2,154,074,365. The Company issued 1,490,475,241 A Shares under non-public issuance in 2017, issued 2,346,041,055 A Shares under public issuance in 2019, issued 98,490,600 A Shares pursuant to the Restricted A Shares Incentive Scheme in 2021 and repurchased and cancelled 800,000 restricted A Shares in 2022, and 854,361,694 A Shares were converted from the convertible corporate bonds issued in 2020 during 2021. As at 31 December 2022, the registered capital of the Company was RMB2,632,931,224; the number of issued shares was 26,329,312,240, comprising 5,736,940,000 H Shares, representing about 21.79% of the total issued shares, and 20,592,372,240 A Shares, representing about 78.21% of the total issued shares.

The Company and its subsidiaries (the "Group") are dedicated to exploration and development of copper, gold, zinc, lithium and other metallic mineral resources globally, research, design and application of mining engineering, etc., providing the materials that improve standards of living in a low carbon future.

The future operation and financial figures (if any) in this report are goals of the Company and shall not constitute profit forecast of the Company. There is no guarantee that the Company will be able to achieve such goals or not. In light of the risks and uncertainties, the inclusion of forward-looking statements in this report should not be regarded as or constitute any representations or actual commitment by the Board or the Company to investors that the plans and objectives in this report will be achieved, and investors should not place undue reliance on such statements. The Company undertakes no obligation to update publicly or revise any forward-looking statements or information in this report, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

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

Financial Highlights

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

In this annual report, unless otherwise stated, monetary units are denominated in Renminbi (“RMB”).

2018 TO 2022 FINANCIAL INFORMATION AS PREPARED IN ACCORDANCE WITH CHINA ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES (“CAS”) AND THE RELATED LAWS AND REGULATIONS:

For the year ended 31 December

RMB

	2022	2021	2020	2019	2018
OPERATING INCOME	270,328,998,459	225,102,488,592	171,501,338,490	136,097,978,018	105,994,246,123
Less: Operating costs	227,784,282,577	190,351,121,555	151,070,863,441	120,582,627,749	92,651,374,475
Taxes and surcharges	4,267,630,167	3,459,679,898	2,499,195,383	1,874,141,394	1,598,995,649
Selling expenses	619,893,797	412,272,620	427,684,618	574,433,782	887,451,338
Administrative expenses	6,264,990,220	5,308,536,279	3,845,610,597	3,689,326,869	2,964,964,865
Research and development expenses	1,231,551,616	770,661,326	582,514,953	476,341,941	274,380,222
Finance expenses	1,904,994,525	1,496,475,674	1,784,243,603	1,466,849,459	1,254,241,143
Add: Other income	484,638,917	350,771,492	342,312,056	290,839,484	227,613,533
Investment income/(losses)	2,874,143,505	1,691,601,136	(522,067,721)	34,406,224	1,060,522,923
Including: Share of profits of associates and joint ventures	3,743,044,810	1,627,111,396	209,744,927	96,011,495	373,063,390
(Losses)/Gains on changes in fair value	(255,492,467)	(231,864,044)	342,356,736	(59,752,112)	(135,783,729)
(Credit impairment losses)/Reversal of credit impairment losses	(329,409,918)	578,093,599	130,622,540	(65,619,609)	82,017,400
Impairment losses on assets	(78,711,813)	(598,022,432)	(357,114,009)	(368,381,596)	(1,500,399,230)
(Losses)/Gains on disposal of non-current assets	(5,217,763)	(7,815,800)	12,407,033	(23,675,053)	84,561,738
OPERATING PROFIT	30,945,606,018	25,086,505,191	11,239,742,530	7,242,074,162	6,181,371,066
Add: Non-operating income	108,391,606	178,088,257	138,757,205	50,080,938	365,953,586
Less: Non-operating expenses	1,061,146,651	470,782,956	532,472,561	317,876,334	417,144,870
PROFIT BEFORE TAX	29,992,850,973	24,793,810,492	10,846,027,174	6,974,278,766	6,130,179,782
Less: Income tax expenses	5,225,640,850	5,194,172,140	2,387,988,221	1,913,374,082	1,447,503,229
NET PROFIT	24,767,210,123	19,599,638,352	8,458,038,953	5,060,904,684	4,682,676,553
Attributable to owners of the parent	20,042,045,977	15,672,870,591	6,508,553,913	4,283,957,365	4,093,773,630
Attributable to non-controlling interests	4,725,164,146	3,926,767,761	1,949,485,040	776,947,319	588,902,923
Subtotal of net other comprehensive income/(loss), net of tax	3,629,316,354	942,126,558	774,643,629	1,289,614,297	(1,174,485,390)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	28,396,526,477	20,541,764,910	9,232,682,582	6,350,518,981	3,508,191,163
Attributable to:					
Owners of the parent	22,893,968,085	17,069,728,215	7,825,158,001	5,488,413,806	2,933,737,518
Non-controlling interests	5,502,558,392	3,472,036,695	1,407,524,581	862,105,175	574,453,645

Financial Highlights *(continued)*

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As at 31 December

	2022	2021	2020	2019	2018
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Assets and liabilities					
Total assets	306,044,139	208,594,678	182,313,250	123,830,947	112,879,303
Total liabilities	181,588,694	115,697,508	107,716,809	66,751,349	65,605,591
Non-controlling interests	35,512,665	21,862,802	18,057,887	5,893,633	6,818,278
Equity attributable to owners of the parent	88,942,780	71,034,368	56,538,554	51,185,965	40,455,434

LIQUIDITY

	2022	2021	2020	2019	2018
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Cash and cash equivalents	19,666,679	13,631,265	11,786,686	6,085,591	9,932,838
Current ratio (%)	111.91	93.6	83.5	85.7	81.8
Trade receivables turnover (days)	7.14	2.95	2.26	2.66	4.00

Chairman's Statement

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MINING FOR A BETTER SOCIETY



“As long as we maintain a resolute strategic determination, unite as one and respond scientifically, we will overcome any obstacles and reach our expected destination, contributing Zijin power to a beautiful green and low-carbon future for humanity!”

Mr. Chen Jinghe is the founder and core leader of the Company, and is presently the chairman of the Company. He is a professor grade senior engineer who is entitled to special allowance from the State Council. He is the head of the State Key Laboratory of Comprehensive Utilisation of Low-grade Refractory Gold Ores; he has been concurrently serving as a vice-president of China Mining Association, China Nonferrous Metals Industry Association, China Gold Association and China Occupational Safety & Health Association, as well as a board member of the World Gold Council. He has attained remarkable achievements in the aspects of geological prospecting, comprehensive utilisation of low-grade refractory resources, large-scale development and other aspects associated with key engineering technological innovation and engineering management. He pioneered the “five-stage life-of-mine project management procedure by in-house capabilities” innovative mining engineering technology model, which was promoted and applied both at home and abroad, and achieved significant economic and social benefits.

To every investor and friend who cares and concerns about Zijin Mining:

First of all, I wish to express my gratitude to you on behalf of Zijin Mining for your care, support and advice!

Mineral resources are important material foundation for social and economic development. As a major player in the global metal mining market, Zijin Mining is committed to becoming “a green, high-tech, leading global mining company”. The goals of the first phase of the “three-step process” in a decade have been successfully achieved. The past three years have been the fastest-growing period for Zijin Mining. Following the general work directive of “deepening reform, achieving leaping growth and sustainable development”, we have overcome multiple difficulties such as the complicated and severe situations in global politics, economy and mining industry. We have completed the construction and commenced production of a batch of world-class major mining projects successively, and fully accomplished and exceeded our work targets and tasks. The Company's overall strength has been significantly enhanced. Resources and reserves of major minerals and major economic indicators repeatedly reached record highs. The Company has a leading position in China and ranks top 10 globally. Overseas mineral resources, output and profit contribution of major mineral products have surpassed those of the domestic ones in an all-round way. The Company has grown into a globalised multinational mining company.

Chairman's Statement *(continued)*

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The Company has made significant progress in its green and low-carbon sustainability. Zijin Mining proactively embraces the energy revolution and vigorously enters the new energy and advanced material industry. The rapid formation of “two lakes, one mine” pattern, including the Tres Quebradas Salar in Argentina, the Lakkor Tso Salar in Tibet, China and the Xiangyuan Hard Rock Lithium Polymetallic Mine in Dao County, Hunan, China, is an important engine for the Company's new round of growth and development. The mineral resources and production capacity of the Company's “green metals”, such as copper and lithium, have significantly increased. By the end of 2022, the Company owned 3,100 tonnes of gold resources, more than 73 million tonnes of copper resources and 12 million tonnes of lithium carbonate resources, respectively. The Company's copper output also saw a significant increment, with output of mine-produced copper reaching 880 thousand tonnes. The Company has become the fastest-growing large-scale mining company in the world. Faced with increasingly severe challenges such as global warming and carbon emission control, Zijin Mining published “The Action Programme on Climate Change”, which is the first report to incorporate the international TCFD framework in the Chinese non-ferrous metal industry. We proposed that energy consumption and carbon emissions per unit of industrial added value shall continue to decline. We are striving to achieve carbon neutral by 2050, demonstrating the ambition and responsibility of Zijin Mining as a responsible international enterprise.

2023 marks the first year of the new term of the Company's management, as well as the 30th anniversary of Zijin Mining. Our 30th anniversary is the perfect time to expand our global presence and reach our prime. The clarion call for the time to embark a new journey for Zijin has been sounded. We put our mission in mind and shoulder our responsibilities. The Company has released the Outline of Three-Year (2023-2025) Plan and Development Goals for 2030, which sets out a grand blueprint for its medium and long-term development. The Company strives to approach the levels of world's leading metal mining companies in terms of key economic indicators by 2025. This includes the production volumes of mine-produced copper, mine-produced gold, mine-produced zinc and lead and lithium carbonate to reach 1.17 million tonnes, 90 tonnes, 480 thousand tonnes and 120 thousand tonnes, respectively. By 2030, the Company shall rank among the leading global mining companies in terms of resources and reserves controlled, production volume of major products, sales revenue, asset size, profit and other comprehensive indicators. The Company's major economic indicators and production volumes of mine-produced copper and mine-produced gold shall rank among the top 3 to 5 globally, while lithium output shall rank among the top 10 globally.

Major global changes are accelerating, leading to an evolving new global landscape and the accelerated recovery of people flow, logistics and supply chains. The US dollar's interest rate hike is slowing down, while the global new energy transition is accelerating. China is taking a series of strong measures to ensure stable economic growth, supporting the prices of major metals such as gold, copper, zinc and lithium to remain relatively high for some time. Zijin Mining has abundant mineral resources and continuously growing production capacity, creating good growth and market opportunities for the Company. We must maintain strategic clarity and confidence, seriously implement the master work directive of “improving quality, reducing costs, boosting profitability” as determined by the Board of the Company. We must continually enhance the output and efficiency of the major products, continue to build up resources and reserves of major minerals, and significantly enhance our strength and development quality. We must also effectively control construction investments and operating costs, resolve the “tension between the increasing globalisation and restrictive domestic thinking and management style” that exists at the current stage by deepening reforms, comply with international standards and guidelines, effectively address the bottleneck of internationalised talents, and build an advanced globalised operation and management system as well as an ESG sustainability system. By doing so, we can further enhance our competitiveness in the global mining industry.

Our beliefs are as strong as rocks, our original aspiration is as fiery as a torch. Although we will encounter numerous difficulties and hurdles, and even rough waves on our journey towards our grand goals, as long as we maintain a resolute strategic determination, pay attention to risk prevention, unite as one and respond scientifically, we will overcome any obstacles and reach our expected destination, contributing Zijin power to a beautiful green and low-carbon future for humanity!

Zijin Mining Group Co., Ltd.*

Chairman



Executive Summary

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

Zijin Mining is a sizeable multinational mining group dedicated to exploration and development of copper, gold, zinc, lithium and other metallic mineral resources globally, research, design and application of mining engineering, etc., providing the materials that improve standards of living in a low carbon future.

Number of countries where overseas projects are located

16 (including China)

Number of staff around the world

48,800

Collaborators around the world

26,000

Global representative offices

6

Shares listed on

A+H



Executive Summary *(continued)*

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



WORLD GOLD COUNCIL

S&P Global MSCI

Score of S&P Global Corporate Sustainability Assessment rose from 37 to 54

MSCI's ESG rating B
One of the first batch of 234 large-cap A Share companies included in the MSCI index



Hang Seng Corporate Sustainability Index Series Member 2022-2023

Forbes

No.325

Forbes' Global 2000 of 2022

FORTUNE 500

No.407

Fortune 500

FORTUNE 500

No.53

Fortune China 500



Constituent of FTSE China A50 Index



Sample stock of SSE 50 Index



Oceania

- Porgera Gold Mine in Papua New Guinea
- Norton in Australia

South America

- Buritycá Gold Mine in Colombia
- Aurora Gold Mine in Guyana
- Rosebel Gold Mine in Suriname
- Tres Quebradas Salar in Argentina

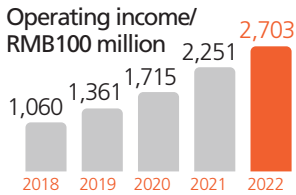
- Copper
- Gold
- Zinc (Lead)
- Lithium
- Others
- Smelter and refinery

Executive Summary (continued)

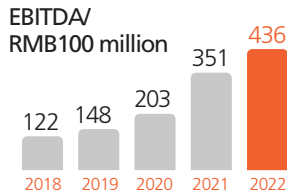
(English translation is for reference only. In case of any discrepancies, the Chinese version shall prevail.)

Key financial performance

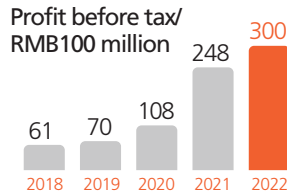
2,703 ↑20%



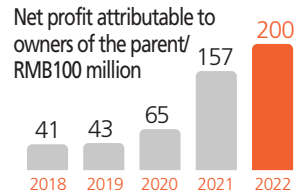
436 ↑24%



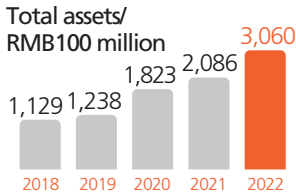
300 ↑21%



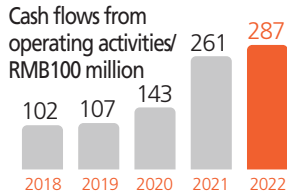
200 ↑28%



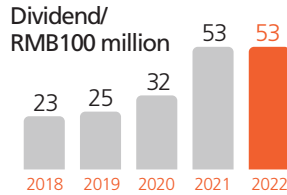
3,060 ↑47%



287 ↑10%



53*



25.29% ↑1.32 percentage points

Return on equity

0.76 ↑27%

Basic earnings per share
(RMB/share)

>10 RMB billion

Appreciation of equity
investments

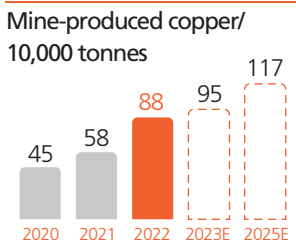
The equity investments of the Company have accumulated appreciated more than RMB10 billion, mainly included its overseas investments in Ivanhoe and its domestic investments of listed companies such as Longking, Jiayou International and Zhaojin Mining; the Company's equity investments in Sichuan Gold and Science were successfully listed on the Main Board of the Shenzhen Stock Exchange and the STAR Market of the Shanghai Stock Exchange

*The profit distribution plan is subject to the approval at 2022 annual general meeting

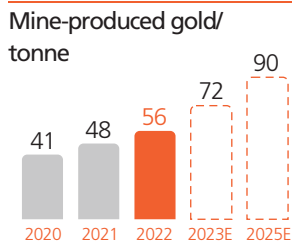
2022 Production and 2023-2025 Production Guidance

Major mineral production

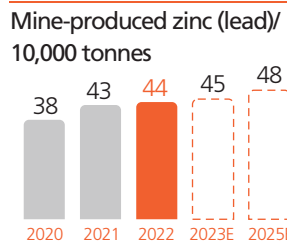
88 ↑49%



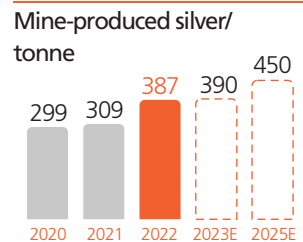
56 ↑19%



44 ↑2%



387 ↑25%



	2022	2023	2025	Compound annual growth rate
Mine-produced copper/million tonnes	0.88*	0.95	1.17	11%
Mine-produced gold/tonne	56	72	90	17%
Mine-produced zinc (lead)/thousand tonnes	440	450	480	3%
Mine-produced silver/tonne	387	390	450	5%
Lithium carbonate/thousand tonnes	–	3	120	/
Mine-produced molybdenum/thousand tonnes	4	6	16	59%

*The above table includes the corresponding interests held by the Company through the 13.59% equity interest in Ivanhoe

Executive Summary *(continued)*

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

Increments

Copper



- Implementing phase 2 of the Julong Copper Mine project in Tibet. Production capacity of 350 thousand tonnes of mine-produced copper per annum will be generally formed by 2025
- Phase 3, 5 million tonnes per annum concentrator plant of the Kamo-Kakula Copper Mine in the DR Congo and the smelter with a nameplate capacity of 500 thousand tonnes per annum are expected to complete construction and commence production in October 2024 and increase the annual copper production to 620 thousand tonnes after it reaches the designated production capacity, positioning Kamo-Kakula as the world's fourth largest copper producer
- Implementing the technological upgrade and expansion project at the Lower Zone of the Čukaru Peki Copper and Gold Mine in Serbia and Bor Copper Mine. By 2025, the production capacity of mine-produced copper will reach 300 thousand tonnes per annum in general, which is expected to become the second largest copper producer in Europe

Lithium



- Phase 1 of the "two lakes, one mine" lithium projects is planned to complete construction and commence production by the end of 2023. Phase 2 construction has also started. After the construction is completed, the total production capacity of lithium carbonate equivalent (LCE) will reach 120 thousand to 150 thousand tonnes
- After both phase 1 and phase 2 projects of the Lakkor Tso Salar in Tibet have completed construction and reached the designated production capacity, it is expected that the production capacity of lithium hydroxide will reach 40 thousand to 50 thousand tonnes per annum
- It is expected that the Xiangyuan Hard Rock Lithium Polymetallic Mine in Hunan will have a production capacity of 40 thousand to 50 thousand tonnes of lithium carbonate equivalent per annum
- After both phase 1 and phase 2 projects of the Tres Quebradas Salar in Argentina have completed construction and reached the designated production capacity, it is expected that the production capacity of lithium carbonate will reach 40 thousand to 60 thousand tonnes per year

Gold



- After the technological upgrade and expansion of the Rosebel Gold Mine in Suriname have completed construction and reached the designated production capacity, it is expected that the production capacity of mine-produced gold will reach 10 tonnes per annum
- Technological upgrade and expansion project of the intellectualised mining and processing of Shanxi Zijin is expected to complete construction in the second quarter of 2023. An additional 3 to 4 tonnes of mine-produced gold can be produced per annum
- The Porgera Gold Mine in Papua New Guinea is expected to resume operation this year
- After the Haiyu Gold Mine completes construction and reaches the designated production capacity, it is expected that the mine will produce 15 to 20 tonnes of gold per annum. The mine is expected to become the largest gold mine in China. The actual interest in the Haiyu Gold Mine held by the Company is approximately 44% (including 20% equity interest in Zhaojin Mining)

Note: In light of the complexity and volatility in market environment, the plan stated herein is for indicative purpose only, which is uncertain and does not constitute any commitment to the realisation of the production volume. The Company may adjust the plan based on changes in actual circumstances. Investors are advised to pay attention to the relevant risks.

Reserves and resources

	Copper/ million tonnes	Gold/ tonne	Zinc (lead)/ million tonnes	Lithium carbonate/ million tonnes	Silver/ tonne	Molybdenum/ million tonnes
Reserves	32.09	1,191	4.80	4.29	1,864	1.54
Resources	73.72	3,117	11.18	12.15	14,612	3.02
Reserves on equity basis/ reserves in China	92%	40%	11%	43%	—	—

- Note: 1. According to the China Mineral Resources Report 2022 issued by the Ministry of Natural Resources, the national reserves of copper, gold, zinc (lead) and lithium oxides in 2021 were 34.9479 million tonnes, 2,964.37 tonnes, 44.2290 million tonnes and 4.0468 million tonnes, respectively.
2. The conversion coefficient of lithium oxide and lithium carbonate is 1:2.47.

Executive Summary *(continued)*

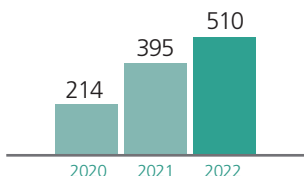
(English translation is for reference only. In case of any discrepancies, the Chinese version shall prevail.)



Sustainable development

Social contribution value RMB100 million

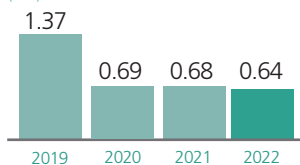
510 ↑ 29%



Safety and environmental protection

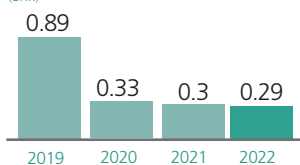
0.64 ↓ 5.9%

Total recordable incident rate per million hours worked (TRIR)



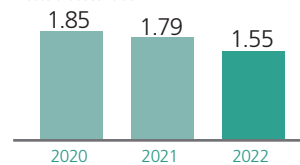
0.29 ↓ 3.3%

Lost time injury rate per million hours worked (LTIR)



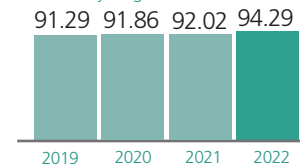
1.55 ↓ 13.4%

Greenhouse gas emission intensity tCO₂e/RMB10,000 industrial added value

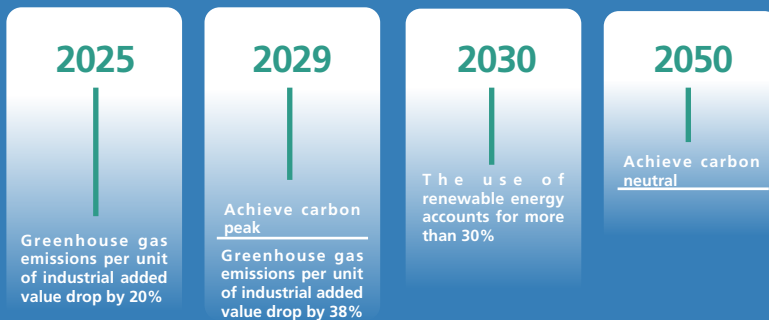


94.29 ↓ 2.27 percentage points

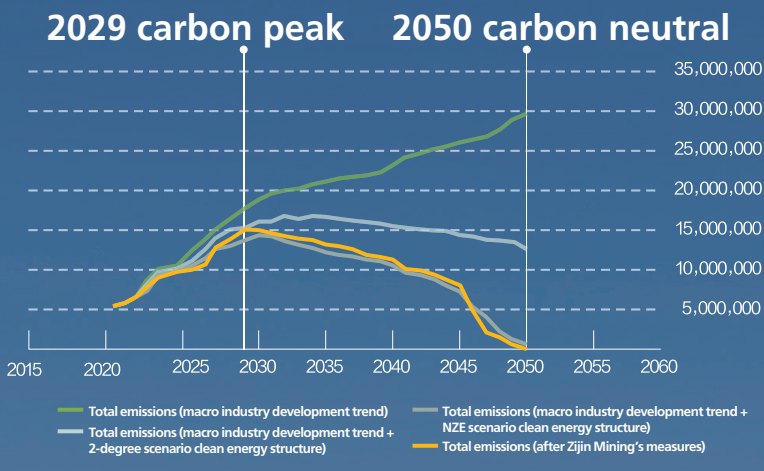
Water recycling rate/%



Approach to climate change



2022-2050 greenhouse gas emissions forecast curve



Brief Biography of Directors, Supervisors, Senior Management and Company Secretaries

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

Members of the Board of Directors



Mr. Chen Jinghe Executive Director and chairman of the Board

- Chief officer of the Strategic and Sustainable Development (ESG) Committee
- Chief officer of the Execution and Investment Committee
- Committee member of the Nomination and Remuneration Committee

Aged 66

Mr. Chen graduated from the Fuzhou University with a bachelor's degree in geology and obtained an EMBA degree from the Xiamen University. He is a professor grade senior engineer who is entitled to special allowance from the State Council.

He is the founder and core leader of Zijin Mining who pioneered the "five-stage life-of-mine project management procedure by in-house capabilities" mining engineering management model. He is a well-known expert both at home and abroad in the fields of metallic mineral resources exploration and development.

Mr. Zou Laichang Executive Director, vice-chairman and president

- Deputy officer of the Strategic and Sustainable Development (ESG) Committee
- Deputy officer of the Execution and Investment Committee

Aged 55

Mr. Zou graduated from the Fujian Forestry College with a bachelor's degree of engineering in chemistry for forestry and obtained an MBA degree from the Xiamen University. He is a senior engineer.

He joined the Company in 1996. He has extensive practical experience in corporate management, mineral processing, metallurgy and mining project management.

Mr. Lin Hongfu Executive Director and standing vice-president

- Committee member of the Execution and Investment Committee
- Committee member of the Strategic and Sustainable Development (ESG) Committee

Aged 49

Mr. Lin obtained an EMBA degree from the Tsinghua University. He is a senior engineer.

He joined the Company in 1997. He has extensive practical experience in mining and metallurgical project management, large-scale project construction and development of finance, capital operation and management systems.



Brief Biography of Directors, Supervisors, Senior Management and Company Secretaries *(continued)*

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

Ms. Lin Hongying Executive Director and and vice-president

Committee member of the Execution and Investment Committee

Aged 55

Ms. Lin obtained a bachelor's degree. She is a senior certified public accountant.

She joined the Company in 1993. She has extensive knowledge and professional work experience in finance and accounting management, market trading operation and financial capital operation.

Mr. Li Jian Non-executive Director

Committee member of the Strategic and Sustainable Development (ESG) Committee

Committee member of the Nomination and Remuneration Committee

Aged 47

Mr. Li obtained a bachelor's degree in finance.

He joined the Company in 2013. He has extensive knowledge and work experience in investment and finance.

Mr. Li Changqing Independent non-executive Director

Chief officer of the Audit and Internal Control Committee

Aged 55

Mr. Li obtained a bachelor's degree of engineering in accounting of industrial enterprise from the School of Management Engineering of the Hefei University of Technology, a master's degree in economics (MBA) and a doctoral degree in management (accounting) from the Xiamen University. He is a certified public accountant in China. He currently serves as a professor in the School of Management, doctoral advisor and director of EMBA Centre of the Xiamen University and a supervisor in post-doctoral workstation of the Shanghai Stock Exchange.

He joined the Company in December 2019. He is dedicated to the study on accounting and corporate wealth management for a long time, and he is a practical financial expert.

Mr. Xie Xionghui Executive Director and vice-president

Committee member of the Strategic and Sustainable Development (ESG) Committee

Committee member of the Execution and Investment Committee

Aged 49

Mr. Xie graduated from the Huainan Industrial Institute majoring in geology and mineral resources exploration. He is a lawyer, a registered safety engineer with the qualifications of registered consulting engineer (investment) and grade-one constructor, and also a geological engineer.

He joined the Company in 2001. He has extensive professional knowledge and work experience in corporate law, mine operation, production safety, etc. He is dedicated to the study and development of corporate sustainability (ESG).

Mr. He Fulong Independent non-executive Director, convener of independent Directors

Committee member of the Strategic and Sustainable Development (ESG) Committee

Committee member of the Audit and Internal Control Committee

Chief officer of the Nomination and Remuneration Committee

Aged 68

Mr. He obtained a master's degree in business administration and is a senior economist entitled to special allowance from the State Council, the chairman of Xiamen City Chen Jiageng Education Development Foundation, an adjunct professor of the School of Management, the School of Economics and the Wang Yanan Institute for Studies in Economics as well as a master advisor of international economics and business programme of the Xiamen University.

He joined the Company in December 2019. He has experience of serving in multiple large state-owned enterprises and extensive work experience in financial management.

Mr. Suen Man Tak Independent non-executive Director

Committee member of the Audit and Internal Control Committee

Committee member of the Nomination and Remuneration Committee

Aged 65

Mr. Suen is a citizen of Hong Kong. He is a practicing barrister-at-law of the Hong Kong High Court. He is also the Honourary Chairman of the Institute of Compliance Officers, member of the Advisory Committee of Hong Kong Insurance Professionals Federation, Honourable President of Hong Kong International Blockchain and Financial Association, member of the Hong Kong Institute of Certified Public Accountants and Hong Kong Securities and Investment Institute.

He joined the Company in December 2019. He has extensive practical experience and professional knowledge in the law enforcement and the relevant legal work of securities, futures, financial market, anti-money laundering activities, listing rules, code of conduct, etc.

Mr. Wu Jianhui Executive Director and vice-president

Committee member of the Strategic and Sustainable Development (ESG) Committee

Committee member of the Execution and Investment Committee

Aged 49

Mr. Wu graduated from the Southern Institute of Metallurgy majoring in mineral processing engineering. He also obtained a master's degree in geological engineering from the China University of Geosciences, and a master's degree in business administration from the University of International Business and Economics. He is a professor grade senior engineer.

He joined the Company in 1997. He has rich and practical experience in construction, operation and management of large and super-large mining and refining projects.

Mr. Mao Jingwen Independent non-executive Director

Committee member of the Strategic and Sustainable Development (ESG) Committee

Aged 67

Mr. Mao is an academician of the Chinese Academy of Engineering. He currently serves as a researcher in the Institute of Mineral Resources under the Chinese Academy of Geological Sciences, director in the key laboratory of metallogeny and mineral assessment of the Ministry of Land and Resources, director in the Commission on Mineral Deposits of the Geological Society of China and director of the Commission on Mineral Exploration of the Chinese Society of Rare Earths.

He joined the Company in December 2019. He is dedicated to the study on mineral deposit model and metallogeny as well as mineral prospecting for a long time, and has made significant contributions to the breakthroughs in prospecting for concealed orebody in the PRC.

Mr. Bo Shao Chuan Independent non-executive Director

Committee member of the Strategic and Sustainable Development (ESG) Committee

Committee member of the Audit and Internal Control Committee

Committee member of the Nomination and Remuneration Committee

Aged 58

Mr. Bo is a Canadian citizen, obtained a master's degree and is a senior engineer. He is a member of the Shenzhen Court of International Arbitration (SCIA) Minerals and Energy Experts Committee and a member of the Mining Arbitration Expert Committee of the Beihai Arbitration Commission/Beihai Court of International Arbitration.

He joined the Company in December 2020. He has more than 30 years of work experience in the mining, oil and gas industries. He has extensive practical experience in corporate development, international merger and acquisition, investment, financing, joint investment and fund management. He is the author of Ins and Outs of International Mining.

Brief Biography of Directors, Supervisors, Senior Management and Company Secretaries *(continued)*

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

Ms. Wu Xiaomin
Independent non-executive Director

● Deputy officer of the Audit and Internal Control Committee

Aged 68

Ms. Wu graduated from the Shandong University with a bachelor's degree in arts. She is a translator and a senior economist. From 1982 to 2018, Ms. Wu served as the general manager, deputy secretary and secretary to the Communist Party Committee and chairman of Xiamen C&D Group Co., Ltd. She currently serves as an external director of Xiamen Iport Group Co., Ltd. and a council member of the Xiamen Renai Medical Foundation.

She joined the Company in December 2022. She has extensive experience in the management of large-scale state-owned enterprises.

● Board diversity



● Roles and division of the members of the Board

	Executive Director	Non-executive Director	Independent non-executive Director	Strategic and Sustainable Development (ESG) Committee	Execution and Investment Committee	Audit and Internal Control Committee	Nomination and Remuneration Committee
Chen Jinghe	●			●	●		●
Zou Laichang	●			●	●		
Lin Hongfu	●			●	●		
Lin Hongying	●				●		
Xie Xionghui	●			●	●		
Wu Jianhui	●			●	●		
Li Jian		●		●			●
He Fulong			●	●		●	●
Mao Jingwen			●	●			
Li Changqing			●			●	
Suen Man Tak			●			●	●
Bo Shao Chuan			●	●		●	●
Wu Xiaomin			●			●	

● Strategic and Sustainable Development (ESG) Committee
 Analyse global economic and industry situation, research the Company's development strategy, formulate the Company's medium and long-term development strategy, suggest and advice external public policies, sustainable development, environment, social and governance and other policies.

● Execution and Investment Committee
 It is a standing execution and investment organisation authorised by the Board. It executes the power of the Board within the scope of the Board's authorisation and is accountable to the Board.

● Audit and Internal Control Committee
 Responsible for the communication, supervision and verification of the Company's internal and external audit, internal control and risk management systems. (see "Possible risks")

● Nomination and Remuneration Committee
 Responsible for reviewing and making recommendations on the Director and management candidates, selection criteria and procedures of Directors and management, formulate and review remuneration policies and plans, formulating Director and management assessment standards and conducting assessments.

Brief Biography of Directors, Supervisors, Senior Management and Company Secretaries *(continued)*

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

Members of the Supervisory Committee of the Company

<p>Mr. Lin Shuiqing Chairman of the Supervisory Committee</p>	<p>Mr. Cao Sanxing Supervisor representing workers and staff, vice-chairman of the Supervisory Committee</p>	<p>Mr. Liu Wenhong Chairman of the labour union and Supervisor representing workers and staff</p>
<p>Aged 59</p> <p>Mr. Lin graduated from the Central Communist Party School. He is a part-time postgraduate. He joined the Company in 2009. He has extensive practical experience in corporate risk control, community and public relations management, education and charity management.</p>	<p>Aged 47</p> <p>Mr. Cao graduated from the Hainan University majoring in international finance.</p> <p>He joined the Company in 2001. He is dedicated to corporate supervision, anticorruption, internal audit and corporate management for a long time and has extensive practical experience.</p>	<p>Aged 53</p> <p>Mr. Liu obtained an EMBA degree from the Xiamen University. He is an intermediate-level engineer.</p> <p>He joined the Company in 1989. He has extensive practical experience in corporate management, social responsibility development and protection of employees' rights and interests.</p>
<p>Mr. Qiu Shujin Supervisor</p>	<p>Ms. Lin Yan External Supervisor</p>	
<p>Aged 51</p> <p>Mr. Qiu graduated from university with a bachelor's degree in engineering.</p> <p>He joined the Company in December 2022. He has extensive experience in supervisory management and anti-corruption work.</p>	<p>Aged 60</p> <p>Ms. Lin is a university graduate and a senior certified public accountant.</p> <p>She joined the Company in December 2022. She has extensive experience in corporate financial management in large-scale state-owned enterprises and international trading.</p>	

● Roles of the members of the Supervisory Committee

	Supervisor other than the Supervisors representing workers and staff	Supervisor representing workers and staff	External Supervisor
Lin Shuiqing	●		
Cao Sanxing		●	
Liu Wenhong		●	
Qiu Shujin	●		
Lin Yan			●

Brief Biography of Directors, Supervisors, Senior Management and Company Secretaries *(continued)*

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

Senior management of the Company

Mr. Shen Shaoyang Vice-president

Aged 54

Mr. Shen graduated from the Xiamen University with a bachelor's degree in international trade. He obtained an MBA from the National University of Singapore and a Master of Management & Professional Accounting (MMPA) from the University of Toronto. He is a chartered professional accountant (CPA) in Canada.

He joined the Company in 2014. He has extensive experience in mine operation and management as well as international investment, merger and acquisition.

Mr. Wu Honghui Financial controller

Aged 47

Mr. Wu obtained a master's degree in business administration. He is a certified public accountant, certified tax agent and senior accountant.

He joined the Company in 2007. He has extensive professional knowledge and practical management experience in finance and investment, capital operation and finance.

Mr. Liao Yuanhang Vice-president

Aged 53

Mr. Liao graduated from the Hefei University of Technology and the Xiamen University Zijin Mining Business Administration Post-graduate Programme. He was a doctoral student in metallurgical and environmental engineering of the Central South University. He is a professor-level senior engineer.

He joined the Company in June 2003. He has extensive professional knowledge in refining and processing and practical experience in construction and operation of large-scale projects.

Mr. Long Yi Vice-president

Aged 47

Mr. Long graduated from the Northeastern University with a bachelor's degree in mining engineering. He obtained a doctoral degree in mining engineering from the Northeastern University. He is a senior engineer.

He joined the Company in 1999. He has extensive practical experience in frontline operation management of multiple domestic and overseas mining enterprises and large-scale mining project development.

Mr. Zheng Youcheng Secretary to the Board

Aged 55

Mr. Zheng graduated from the Fuzhou University with a bachelor's degree in geology and mineral prospecting, and obtained a master's degree in public administration from the Xiamen University. He is a post-graduate.

He joined the Company in 2005. He has extensive knowledge and practical experience in corporate operation, journalism and communication and capital operation.

Mr. Que Chaoyang Vice-president, chief engineer (concurrent)

Aged 53

Mr. Que obtained a bachelor's degree in mineral resources management and a part-time doctoral degree in mineralogy, petrology and mineral deposit from the China University of Geosciences (Beijing). He is a senior engineer.

He joined the Company in 2004. He has extensive practical experience in frontline operation management of multiple domestic and overseas mining enterprises and cross-cultural management.

Mr. Wang Chun Vice-president

Aged 55

Mr. Wang graduated from the Central South University of Technology majoring in applied chemistry. He obtained a doctoral degree from the Changchun Institute of Applied Chemistry Chinese Academy of Sciences. He is a professor-level senior engineer.

He joined the Company in 2013. He has extensive professional knowledge in processing and metallurgy and practical experience in technological upgrade and operation of large-scaled overseas projects.

Brief Biography of Directors, Supervisors, Senior Management and Company Secretaries *(continued)*

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

POSITION HELD BY CURRENT DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT AND THOSE RESIGNED DURING THE REPORTING PERIOD

1. Position held in shareholder's company

Name	Name of shareholder's company	Position at the shareholder's company	Date of appointment	Date of end term
Li Jian	Minxi Xinghang State-owned Assets Investment Co., Ltd.	Chairman and general manager	September 2017	/

2. Position held in other companies

Name	Name of company	Position held in other companies	Date of appointment	Date of end term
Chen Jinghe	Ivanhoe Mines Ltd.	Non-independent director	June 2019	
Lin Hongfu	Fujian Longking Co., Ltd.	Chairman	June 2022	December 2023
Lin Hongying	Fujian Shanghang Rural Commercial Bank Company Limited	Director	May 2021	May 2024
Lin Hongying	Zijin Tianfeng Futures Co., Ltd.	Chairman	April 2022	
Li Jian	Shanghang County Xingcheng Financing and Guarantee Company Limited	Chairman	July 2014	
Li Jian	Fujian Shanghang Rural Commercial Bank Company Limited	Director	June 2015	
Li Jian	Qinghang Dingfeng Development and Construction Company Limited	Chairman	August 2020	
Li Jian	Beijing EQ Technology Company Limited	Director	September 2020	September 2023
Li Jian	Shanghang Agricultural Financing and Guarantee Company Limited	Chairman	June 2021	
He Fulong	Xiamen CCRE Group Co., Ltd.	External director	December 2020	June 2022
He Fulong	Xiamen Light Industry Group Corp. Ltd.	External director	September 2020	
Mao Jingwen	Shenghe Resources Holding Co., Ltd.	Independent director	April 2019	April 2022
Mao Jingwen	Hunan Gold Group Co., Ltd.	External director		
Mao Jingwen	CITIC Metal Group Ltd	Independent director		
Mao Jingwen	Chifeng Jilong Gold Mining Co., Ltd.	Independent director	January 2022	January 2025
Li Changqing	Shenzhen Noposition International Investment Co., Ltd.	Independent director	July 2018	July 2021
Li Changqing	Bank of Hangzhou Co., Ltd.	Director	December 2021	
Li Changqing	JX Asset Management Co., Ltd.	Director	November 2020	February 2023
Suen Man Tak	Sino-Ocean Group Holding Limited	Independent non-executive director	December 2015	
Suen Man Tak	China Jinmao Holdings Group Limited	Independent non-executive director	November 2020	
Suen Man Tak	Inception Growth Acquisition Limited	Independent director	March 2021	March 2023
Bo Shao Chuan	Sinomine Resource Group Co., Ltd.	Independent director	May 2020	May 2023
Bo Shao Chuan	Oryx Bio-Tech Ltd.	Director and president	October 2018	
Wu Xiaomin	C&D International Investment Group Limited	Director	March 2021	
Lin Yan	Xiamen Jinchengwan Real Estate Development Co., Ltd.	Financial controller		
Shen Shaoyang	Barrick (Niugini) Limited	Director	August 2015	
Long Yi	Zhaojin Mining Industry Co., Ltd.	Vice chairman	November 2022	
Wang Chun	Barrick (Niugini) Limited	Director	December 2021	
Wang Chun	Gold Eagle Mining Investment Limited	Director	June 2022	
Liao Yuanhang	Xiamen Modern Terminals Co., Ltd.	Director	May 2018	

Brief Biography of Directors, Supervisors, Senior Management and Company Secretaries *(continued)*

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

Name	Name of company	Position held in other companies	Date of appointment	Date of end term
Liao Yuanhang	Fujian Evergreen New Energy Technology Co., Ltd.	Director	December 2021	December 2024
Zhu Guang	HOPU Jinghua (Beijing) Investment Consultancy Co., Ltd.	Vice-chairman		
Zhu Guang	Zhejiang Huayou Cobalt Co., Ltd.	Independent director	April 2020	April 2023
Zhu Guang	Xiamen Houde Zhixiang Investment Management Co., Ltd.	Chairman		
Zhu Guang	Yangzhou Longtou Houde Fund Management Co., Ltd.	Chairman		
Zhu Guang	Ningbo Meishan Bonded Area Guopuxing Investment Management Co., Ltd.	Director		
Zhu Guang	Xiamen Minglu Yuhui Investment Co., Ltd.	Supervisor		
Zhu Guang	Erlian Longming Railway Maintenance Development Co., Ltd.	Director		
Xu Qiang	Fujian Supertech Advanced Material Co., Ltd.	Supervisor	April 2017	June 2023

Company secretaries

Ms. Zhang Yan, aged 45, obtained a bachelor's degree. She joined the Company in 2000. She has been working on corporate governance, information disclosure, equity financing and other matters of the Company. She has been serving as the Company's securities affairs representative since December 2019. Ms. Zhang Yan has obtained the qualification of secretary to board of directors. She serves as the joint company secretary (Hong Kong) since January 2023.

Mr. Ho Kin Wai, aged 39, obtained a bachelor's degree in business administration from the Hong Kong University of Science and Technology. He is a member of the Hong Kong Institute of Certified Public Accountants, the Hong Kong Chartered Governance Institute and the Chartered Governance Institute, and holds the qualifications of Chartered Secretary, Chartered Governance Professional and Certified Public Accountant of Hong Kong. He joined the Company in July 2013, and served as the assistant company secretarial manager, company secretarial manager and senior company secretarial manager of Gold Mountains (H.K.) International Mining Company Limited. He serves as the joint company secretary (Hong Kong) since January 2023.

Reserves and Resources

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

Mineral resources are the foundation for the survival and development of mining companies. The Company focuses on green metallic minerals and new energy minerals, with an emphasis on counter-cyclical mergers and acquisitions of large and ultra-large deposits and self-initiated geological exploration to increase reserves, providing a solid resource base for the Company's sustainable development.

As at 31 December 2022, the retained measured, indicated and inferred resources of the Company consisted of: 73.7186 million tonnes of copper, 3,117.39 tonnes of gold, 11.1833 million tonnes of zinc (lead), 14,611.80 tonnes of silver and 12.1521 million tonnes of lithium (lithium carbonate equivalent). Among which, the retained probable and proved reserves of the Company consisted of: 32.0944 million tonnes of copper, representing 43.54% of the total resources; 1,190.99 tonnes of gold, representing 38.20% of the total resources; 4.7993 million tonnes of zinc (lead), representing 42.91% of the total resources; 1,864.18 tonnes of silver, representing 12.76% of the total resources (mainly as associated mineral); and 4.2905 million tonnes of lithium reserves (lithium carbonate equivalent), representing 35.31% of the total resources.

The Company's mineral reserves and resources are accounted for in accordance with the standard in the Classifications for mineral resources and mineral reserves (GB/T 17766-2020) of the PRC. This standard is consistent with the classification standards of resources/reserves of the Committee for Mineral Reserves International Reporting Standards (CRIRSCO), and is also similar to the internationally accepted standards including NI 43-101 of Canada and JORC of Australia. The Company engages the Beijing CMA Consultancy Center and other industry authoritative institutions and experts as independent third parties to verify and announce the updated resources and reserves data every year according to the new national standard. The Company has basically realised the alignment with the resource and reserve standards used in the international mining industry.

Changes in the Company's major mineral resources (on equity basis) from 2020 to 2022

Mineral type	By investment or merger and acquisition	New additions by self-initiated exploration	Total resources at the end of the period
Copper (million tonnes)	6.7621	3.32	73.7186
Gold (tonne)	1,106.70	187	3,117.39
Silver (tonne)	4,165.52	1,880	14,611.80
Lead and zinc (million tonnes)	0.1110	0.86	11.1833
Lithium carbonate equivalent (million tonnes)	12.0387	0.1134	12.1521
Molybdenum (million tonnes)	2.2499	0.04	3.0200

Notes: 1. Certain exploration projects have not submitted formal report and such newly added resources have not been included in the Company's retained resources as at the end of 2022 yet.

2. Gold, silver and molybdenum include associated resources.

I. Self-initiated geological prospecting and exploration

The Company's self-initiated geological exploration has a comparative competitive advantage in the industry. With the emphasis of "mineral exploration around current mines", the Company has strengthened its efforts in geological exploration. More than 46% of the gold and copper resources and more than 80% of the zinc and lead resources were obtained from self-initiated exploration.

Total newly-added resources of major mineral type from self-initiated exploration over the years

Mineral type	Copper/million tonnes	Gold/tonne	Zinc (lead)/million tonnes
Resources obtained from self-initiated exploration	34.25	1,441	8.96

Reserves and Resources *(continued)*

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During the reporting period, the amount invested in geological exploration amounted to RMB461 million. The inferred, indicated and measured resources (on equity basis) added by exploration include: 128.4 tonnes of gold, 2.46 million tonnes of copper, 771,200 tonnes of lead and zinc, 31,800 tonnes of tungsten, 39,200 tonnes of molybdenum and 1,260 tonnes of silver.

The Company's prospecting and exploration costs are much lower than the industry average. The Company has made technological innovation an effective way to support breakthroughs in geological prospecting. The Company has continuously enhanced its study of mineralisation patterns for globally crucial metallogenic belts and its ability in location selection. The exploration results have a relatively good economic recoverability. During the reporting period, the Company made significant progress in the exploration of the projects including the Bor Copper Mine and the Čukaru Peki Copper and Gold Mine in Serbia, the Buriticá Gold Mine in Colombia, the Tres Quebradas Salar in Argentina, the Tongshan Copper Mine, the Julong Copper Mine and the Wulagen Lead and Zinc Mine. The Company also took the lead to complete the "demonstration of a three-dimensional geochemical survey of porphyry copper deposits", the "study of penetrating geochemical survey techniques in Zijinshan" and other national key research and development projects.

The Company's self-initiated geological prospecting and exploration projects matches the layout of existing key projects, forming a number of domestic platforms including the Institute of Geology and Mineral Exploration, Sino-Zijin, Zijin Southwest Geological Exploration in China and Balkan Zijin Resources Doo Belgrade in Europe, Jinshan Mining (Tanzania) Limited in Africa and Golden Archaean Resources Pty Ltd. in Australia. The Company has introduced geological exploration talents from around the world, and implemented "reserve contracting", "result sharing" and other market-oriented operation models within the Company.

II. Merger and acquisition and investment in mineral resources

The Company allocates assets globally. Leveraging systemic engineering, economic mining concept and professional analysis and decision-making ability, the Company has successfully acquired a batch of quality mines globally, substantially increasing the volume of world-class mineral resources. In 2022, the Company embraced the opportunities for energy structure transformation and upgrade brought by the global response to climate change. The Company consolidated its gold assets, accelerated the layout of new energy minerals such as lithium, completed the acquisition of the Tres Quebradas Salar in Argentina, successively invested in and acquired two quality lithium mine projects including the Lakkor Tso Salar and the Xiangyuan Lithium Polymetallic Mine in Dao County, the Rosebel Gold Mine in Suriname (the largest gold mine in production in South America), 30% interest in the Haiyu Gold Mine (the largest stand-alone gold mine in China), 20% equity interest in Zhaojin Mining and other significant gold mine assets, 45.7% equity interest in the Kharmagtai Copper-gold Mine in Mongolia. Meanwhile, the Company proposed to acquire 84% interest in the Shapinggou Molybdenum Mine (the largest stand-alone molybdenum deposit in the world in terms of reserves). At present, the Company is actively processing the relevant matters in relation to the completion of the acquisition.



It is expected that the abovementioned projects will provide additional reserves of resources (on equity basis) including 12.15 million tonnes of lithium carbonate equivalent, 682 tonnes of gold, 1.34 million tonnes of copper and 1.84 million tonnes of molybdenum to the Company, and the planned production capacities include 120-150 thousand tonnes of lithium carbonate equivalent, approximately 22-24 tonnes of gold and 27.2 thousand tonnes of molybdenum.

Reserves and Resources *(continued)*

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

Key mineral assets acquired by the Company in 2022

Project name	Mineral type	Resources	In production/ Under construction	Interest acquired	Resources newly added (on equity basis)	Current output/Planned output
Tres Quebradas Salar, Argentina	Lithium	7.63 million tonnes of LCE	Under construction	100%	7.63 million tonnes of LCE	Planned output for two phases: 40-60 thousand tonnes of lithium carbonate
Lakkor Tso Salar	Lithium	2.16 million tonnes of LCE	Under construction	70%	1.51 million tonnes of LCE	Planned output for two phases: 40-50 thousand tonnes of lithium hydroxide
Xiangyuan Lithium Polymetallic Mine in Dao County	Lithium	840 thousand tonnes of LCE	Under construction	66%	550 thousand tonnes of LCE	Planned output: 40-50 thousand tonnes of LCE
Manono Lithium Mine	Lithium	16.40 million tonnes of LCE	Proposed to be constructed	15%	2.46 million tonnes of LCE	-
Sawaya'erdun Gold Mine	Gold	60 tonnes of gold (excluding low-grade resources)	Under construction	70%	42 tonnes of gold (excluding low-grade resources)	Planned output: 2.76 tonnes of gold
Haiyu Gold Mine	Gold	562 tonnes of gold	Under construction	44% (including 20% equity interest in Zhaojin Mining)	247 tonnes of gold	Planned output: 6.6-8.8 tonnes of gold on equity basis (based on 44% interest)
Zhaojin Mining	Gold	380 tonnes of gold (excluding the Haiyu Gold Mine)	In production	20%	76 tonnes of gold	4 tonnes of gold (based on 20% interest)
Rosebel Gold Mine, Suriname	Gold	217 tonnes of gold	In production	95%	206 tonnes of gold	8.6 tonnes of gold
Shapinggou Molybdenum Mine	Molybdenum	2.19 million tonnes of molybdenum	Proposed to be constructed	84%	1.84 million tonnes of molybdenum	Planned output: 27.2 thousand tonnes of molybdenum
Kharmagtai Copper-gold Mine, Mongolia	Copper and gold	Approximately 2.93 million tonnes of copper Approximately 242 tonnes of gold	Exploration	45.7%	Approximately 1.34 million tonnes of copper Approximately 111 tonnes of gold	-
Total					682 tonnes of gold 1.34 million tonnes of copper 1.84 million tonnes of molybdenum 12.15 million tonnes of LCE	Approximately 22-24 tonnes of gold 27.2 thousand tonnes of molybdenum 120-150 thousand tonnes of LCE



Picture: Lakkor Tso Solar in Tibet

Reserves and Resources *(continued)*

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III. Summary table of retained resources and reserves of the Company's mines (on equity basis)

Mineral type	Unit	Reserves			Resources (including reserves)					Proportion of reserves to resources	Retained resources in 2021	Percentage change
		Proved	Probable	Total	Measured	Indicated	Measured + Indicated	Inferred	Total			
Copper	Mt (metal)	5.9516	26.1428	32.0944	10.2442	46.6524	56.8966	16.822	73.7186	44%	62.7705	17%
Gold	t (metal)	276.51	914.48	1,190.99	472.11	1,581.99	2,054.10	1,063.29	3,117.39	38%	2,372.90	31%
Independent gold	t (metal)	205.91	690.22	896.13	364.31	1,153.05	1,517.36	869.21	2,386.57	38%	2,014.36	18%
Gold associated with other metals	t (metal)	70.60	224.26	294.86	107.80	428.95	536.74	194.07	730.82	40%	358.54	104%
Zinc	Mt (metal)	1.7828	2.4123	4.1951	2.7146	3.922	6.6366	3.2494	9.8860	42%	9.6182	3%
Lead	Mt (metal)	0.286	0.3182	0.6042	0.4333	0.5093	0.9426	0.3547	1.2973	47%	1.2640	3%
Silver (including associated)	t (metal)	689.50	1,174.68	1,864.18	1,522.66	2,207.96	3,730.62	10,881.18	14,611.80	13%	11,535.76	27%
Lithium carbonate equivalent	LCE Mt	1.573	2.7176	4.2905	2.6124	6.3327	8.9450	3.2071	12.1521	35%	7.6300	59%
Molybdenum (including associated)	Mt (metal)	0.6337	0.9108	1.5445	0.7292	1.0391	1.7683	1.2516	3.02	51%	0.9153	230%
Tungsten	WO ₃ thousand tonnes	7	20.4	27.5	4	31.4	35.4	57.5	92.9	30%	59.2	57%
Tin	Thousand tonnes (metal)	9.2	42.3	51.5	13.1	53.3	66.3	83.9	150.2	34%	99.0	52%
Iron	Mt (ore)	27	92	119	39	215	254	223	478	25%	179	167%
Coal	Mt	0.00	0.00	0.00	39	48	87	157	244	0%	244	0%
Platinum	t (metal)	0.00	21.56	21.56	113.92	233.33	347.25	293.45	640.70	3%	640.88	0%
Palladium	t (metal)	0.00	22.11	22.11	94.02	154.46	248.48	241.94	490.42	5%	490.35	0%

Notes: Retained resources/reserves of the current year are calculated based on equity method; all projects/mines are accounted for according to the Company's actual shareholding ratio; resources include reserves.

Reserves and Resources *(continued)*

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IV. Retained resources/reserves of the Company's major mines

Name of mine	Major element	Proportion of interest	Resources (metal volume)			Reserves (metal volume)			Remaining life of mine (year)	Valid period of exploration licence/ mining permit	Criteria on resources/reserves estimation	Risks	Note		
			Measured+ Indicated	Inferred	Total	Grade	Proved	Probable						Total	Grade
Kamao Copper Mine	Copper	45%	37,910,000	5,210,000	43,120,000	2.54	0	18,623,000	18,623,000	3.94	42	Mining permit (19 August 2042)	Cut-off grade: 1% Estimated by software	/	/
Kolwezi Copper (Nobobenum) Mine	Copper	72%	1,111,000	1,293,669	2,404,669	3.91	276,195	571,757	847,952	3.76	15	2 mining permits (4 March 2024)	Cu ore cut-off grade: 1%, Co ore cut-off grade: 0.1% Estimated by software	/	/
Upper Zone of the Cukaru Peki Copper and Gold Mine	Copper	100%	1,083,353	450,585	1,453,938	2.63	398,554	532,336	930,890	2.88	15	Mining permit (7 June 2033)	Industrial grade: DCu≥0.70%	/	/
	Gold	100%	57,948	17,976	75,924	1.37	26,299	27,543	53,841	1.67			Industrial grade: Cu≥0.3%	/	/
Lower Zone of the Cukaru Peki Copper and Gold Mine	Copper	100%	14,515,156	4,038,580	18,553,737	0.76	0	7,470,584	7,470,584	0.69	37			/	/
	Gold	100%	299,050	85,909	384,959	0.16	0	142,335	142,335	0.13				/	/
Bor Copper Mine	Copper	63%	9,843,181	942,769	10,785,950	0.45	3,128,248	3,606,845	6,735,093	0.45		3 mining permits (effective indefinitely with no fixed period)	JM: Cut-off grade: Cu0.3%, Industrial grade: Cu0.5%	/	Including associated silver of 2,714 tonnes
	Gold	63%	356,940	23,307	380,247	0.16	107,927	123,321	231,247	0.16			MS: Cut-off grade within open-pit mining boundary: Cu0.15%	/	
Kharmaqtai Copper-gold Mine	Copper	45.7%	1,262,209	1,664,377	2,926,586	0.26	/	/	/	/	20	Mining permit (27 September 2043)	Cut-off grade of open-pit mining: CutEq 0.2%	/	/
	Gold	45.7%	112,986	128,560	241,546	0.22	/	/	/	/			Cut-off grade of underground mining: CutEq 0.3%	/	
Julong Copper Mine (Qulong Copper Mine + Zhibula Copper Mine)	Copper	50.1%	15,752,368	3,144,012	18,896,380	0.33	3,256,872	11,427,996	14,684,868	0.26		Mining permit (20 May 2039)	Qulong Copper Mine: Cut-off grade within open-pit mining boundary: Cu0.15% Cut-off grade outside open-pit mining boundary: Cu0.3%	/	Qulong Copper Mine has associated silver of 12,344 tonnes and marginal economic copper of 11,2848 million tonnes

Reserves and Resources (continued)

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Name of mine	Major element	Proportion of interest	Resources (metal volume)			Reserves (metal volume)			Remaining life of mine (year)	Valid period of exploration licence/ mining permit	Criteria on resources/reserves estimation	Risks	Note		
			Measured+ Indicated	Inferred	Total	Grade	Proved	Probable						Total	Grade
Duobaoshan-Tongshan Copper Mine	Copper	100%	1,624,111	866,355	2,490,465	0.43	635,709	464,403	1,100,112	0.38	16	Mining permit (26 February 2029) Mining permit (6 January 2039)	Cut-off grade within boundary: Cu≥0.2% Cut-off grade outside boundary: Cu≥0.4% Estimated by software	/	Including associated silver of 307 tonnes and marginal economic copper of 488.7 thousand tonnes
Zijinshan Copper and Gold Mine	Gold	100%	78	66	144	1.04	7	5	13	0.35	Open-pit mining: 10	Mining permit (13 June 2043)	Cut-off grade of gold within open-pit mining boundary: Au≥0.15g/t Cut-off grade of gold outside open-pit mining boundary: >1.0g/t Cut-off grade of copper within open-pit mining boundary: Cu≥0.15%, Cut-off grade of copper outside open-pit mining boundary: Cu≥0.5%	/	Including marginal economic gold and copper of 5.62 tonnes and 233.2 thousand tonnes, respectively
	Copper	100%	1,067,711	182,909	1,250,620	0.47	302,820	472,705	775,525	0.35	Underground mining: 5		Cut-off grade of underground mining of copper within designed circular mining lane: Cu≥0.5%, outside the designed circular mining lane: Cu≥0.5% Estimated by software	/	
Ashale Copper Mine	Copper	51%	530,798	26,900	557,698	1.90	302,044	163,908	465,952	1.75	15	Mining permit (3 February 2031)	Cut-off grade 0.3% Industrial grade: 0.5% Estimated by software	/	Including associated silver of 397.08 tonnes
Rio Blanco Copper Mine	Copper	51%	5,224,700	6,094,200	11,318,900	0.47	/	/	/	/	28	Exploration licence (31 December 2038)	Cut-off grade Cu≥0.2%	Community risk	/
	Niolydenum	51%	193,600	264,400	458,000	0.02	/	/	/	/	/			/	/
Buriticá Gold Mine	Gold	69.28%	197,100	124,400	321,500	6.61	24,000	88,000	112,000	5.89	14	Mining permit (19 March 2043)	Assumed market price of gold metal is USD1,700/ounce, gold equivalent (Aue) = Au+Ag×80; Industrial grade: Au≥3.0g/t Estimated by Datamine software	/	
Rosbel Gold Mine	Gold	95%	195,827	21,337	217,164	1.11	7,060	112,022	119,082	1.09	19	Mining permit (May 2042)	Cut-off grade: USD1,500/ounce Au Reserve: USD1,300/ounce Au Estimated by software	/	
Aurora Gold Mine	Gold	100%	123,848	63,322	187,170	2.54	7,096	76,521	83,617	2.37	Open-pit mining: 7 Phase 1 underground mining: 14	Mining permit (18 November 2031)	Cut-off grade: gold price of USD1,800/ounce Oxide ore in open-pit mining: 0.46g/t Primary ore: 0.63g/t Main orebody: 1.03g/t Others: 1.52g/t Reserves: gold price of USD1,600/ounce Estimated by Leapfrog and Datamine software	/	

Reserves and Resources *(continued)*

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Name of mine	Major element	Proportion of interest	Resources (metal volume)			Grade	Reserves (metal volume)			Remaining life of mine (year)	Valid period of exploration licence/ mining permit	Criteria on resources/reserves estimation	Risks	Note
			Measured+ Indicated	Inferred	Total		Proved	Probable	Total					
Norton	Gold	100%	244,806	120,771	365,576	0.90	5,061	139,649	144,710	0.74	10	168 mining permits; 8 exploration rights; 27 prospecting rights (all of which are within effective period)	/	/
Jilau, Taror Gold Mines	Gold	70%	79,962	24,181	104,143	1.86	30,400	34,328	64,728	1.61	4 (Jilau) 13 (Taror)	Jilau: Cut-off grade: 0.5g/t, Industrial grade: 0.8g/t Taror: Cut-off grade: 1g/t, Industrial grade: 2.5g/t Estimated by software	Application for extension of the expired mining permit is agreed by the Tajikistani Government	Including associated silver of 278 tonnes and marginal economic gold of 23.25 tonnes
Taldybuk Levoberezhny Gold Mine	Gold	60%	41,591	9,140	50,731	4.15	26,546	11,459	38,004	3.94	11	Mining permit (5 January 2026)	/	Including marginal economic gold of 3.66 tonnes
Pogera Gold Mine	Gold	47.5%	255,331	75,294	330,625	4.02	16,041	138,031	154,072	4.77	Open-pit mining: 9 Underground mining: 11	Cut-off grade of resources: gold price of USD1,500/ounce Open-pit mine: Au:0.98g/t, Underground mine: Au:0.03g/t, Cut-off grade of reserves: gold price of USD1,200/ounce Estimated by software	Mining permit expired, under negotiation process	/
Haiyi Gold Mine	Gold	44%	249,659	312,475	562,134	4.18	81,480	130,730	212,210	4.42	Underground mining: 23	Cut-off grade 0.8g/t, Industrial grade: 2.0g/t Estimated by geological ore block method	/	/
Yingzhai Gold Mine	Gold	100%	68,976	44,741	113,718	1.86	20,746	41,664	62,410	1.67	18	2 mining permits (28 October 2023) (14 November 2024) Porphyry gold deposit: Cut-off grade: 0.5g/t Estimated by software	/	/

Reserves and Resources *(continued)*

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Name of mine	Major element	Proportion of interest	Resources (metal volume)			Remaining life of mine (year)	Valid period of exploration licence/ mining permit	Criteria on resources/reserves estimation	Risks	Note
			Measured+ Indicated	Inferred	Total					
Toua Zinc Polymetallic Mine	Zinc	70%	626,700	154,200	780,900	12	Mining permit (1 January 2025)	Cut-off grade: $DZn > 5\%$ ($DZn = Zn = 0.47\text{Pb} + 1.19 \times Cu + Au + 0.01 \times Ag$) Estimated by software	/	Including associated silver of 348 tonnes
Wuqien Zinc (Lead) Mine	Zinc	100%	3,694,241	1,487,722	5,181,963	21	Mining permit (22 November 2036) Mining permit (12 May 2024) Exploration licence (14 March 2027) Exploration licence (21 March 2027)	Cut-off grade of resources: Open-pit mining: $Pb+Zn \geq 0.6\%$ Underground mining: $Pb 0.7\%$, $Zn 1\%$ Cut-off grade of reserves: Open-pit mining: $Pb+Zn \geq 0.6\%$ Underground mining: $Pb 1\%$, $Zn 2\%$	The application process for extension of the mining permit that will be expired soon has commenced	Including marginal economic zinc and lead of 1,652 million tonnes and 349.8 thousand tonnes, respectively
Sanguikou Zinc (Lead) Mine	Zinc	95%	1,459,551	491,298	1,950,850	Sanguikou: 20 Miaogou: 42	Mining permit (13 December 2022) Mining permit (6 June 2042) Mining permit (10 October 2033) Exploration licence (7 December 2021) Exploration licence (28 May 2025)	Cut-off grade: 0.5% Industrial grade: 1.6% Estimated by software	Application for extension of the expired mining permit has been submitted, exploration licence is under the application for retention	Including associated silver of 350.7 tonnes
Tres Quebradas Salar	Lithium carbonate equivalent	100%	5,369,000	2,261,000	7,630,000	50	1 exploration licence, 12 mining permits (all within validity period)	LIC cut-off grade: 400mg/L Coefficient of converting Li_2O to Li_2CO_3 : 5.32	/	/
Lakkor Tso Salar	Lithium carbonate equivalent	70%	2,157,322		2,157,322	81	1 exploration licence (17 June 2024) 1 mining permit (30 April 2030)	LIC cut-off grade: 150 mg/L lowest industrial grade: 300 mg/L Coefficient of converting Li_2O to Li_2CO_3 : 5.32	/	/
Xiangwan Hard Rock Lithium Polymetallic Mine	Lithium carbonate equivalent	66%	587,206	248,992	836,198	Phase 1: 12	Mining permit (17 April 2025)	Cut-off grade: Open-pit mining: $Li_2O \geq 0.25\%$ Underground mining: $Li_2O \geq 0.40\%$ Coefficient of converting Li_2O to Li_2CO_3 : 2.47	/	The newly verified resources and reserves

Reserves and Resources *(continued)*

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Name of mine	Major element	Proportion of interest	Resources (metal volume)			Reserves (metal volume)			Remaining life of mine (year)	Valid period of exploration licence/ mining permit	Criteria on resources/reserves estimation	Risks	Note
			Measured+ Indicated	Inferred	Total	Grade	Proved	Probable					
Fujian Jinchuan-Jinbao Iron Mine	Iron	56%	1,794	2,894	4,688	32	60	1,683	1,742	32	Jinbao: Cut-off grade: mFe≥10% Lowest industrial grade: mFe≥15% Jinchuan: Cut-off grade: mFe≥15% Lowest industrial grade: mFe≥20%	The application process for extension of the mining permit that will be expired soon is in progress	/
Shapingou Molybdenum Mine	Molybdenum	84%	1,188,327	1,005,179	2,193,506	0.18	556,972	547,278	1,104,250	0.20	Phase 1: 40 December 2022	Procedure of converting the exploration licence to a mining permit is in progress	/

Explanations:

- The Company entrusted Beijing CMA Consultancy Center to prepare the Annual Report on Mineral Resources and Reserves of Major Domestic and Overseas Subsidiaries (Year 2022). The main personnel for preparing the report: Tang Xiaoqian, Li Hongpin, Wang Feifei, Xue Jianling and Yan Pengcheng.
- Unit of gold metal: kg; unit of copper, zinc and lithium carbonate metal: tonne; unit of iron ore: 10,000 tonnes; unit of grade of gold: g/t; unit of grade of copper, zinc, lithium carbonate equivalent and mFe: %; unit of grade of hard rock lithium: %; unit of grade of lithium ion concentration in brine: mg/l.
- Classification and conversion work of all projects were completed based on Classifications for mineral resources/reserves (GB/T 17766-2020), the new national standard for classifying mineral resources and reserves.
- Retained resources/reserves are the total volumes before accounting for equity interest.

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Operations

The Company is a leading metal mining enterprise in China. The reserves, resources and output of copper, gold, zinc (lead) and other major minerals rank among the top in China and within the top 10 in the globe. Overseas mineral resources, output and profit contribution of major mineral products have surpassed those of the domestic ones in an all-round way. The Company has grown into a globalised mining company. The Company proactively responds to global climate change and the new energy revolution and transition. The Company has increased its investment in new energy and advanced material industry, and is continually increasing its power generation capacity from green energy, including photovoltaic and hydroelectric power.

The **6th** largest copper producer in the world

The **9th** largest gold producer in the world

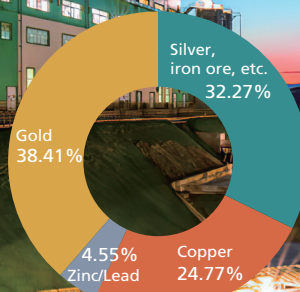
The **4th** largest lead (zinc) producer in the world

During the reporting period, the situation of the production volume of the Company's major mineral products:

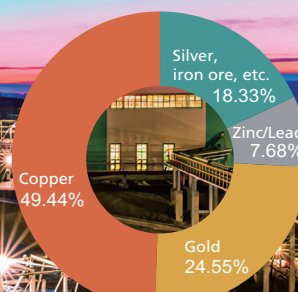
Mineral type	Production volume	Year-on-year growth	Profit margin
Mine-produced copper (thousand tonnes)	877	48.72%	59.53%
Mine-produced gold (tonne)	56.4	18.76%	47.97%
Mine-produced zinc (thousand tonnes)	402	1.48%	48.69%
Mine-produced silver (tonne)	387.5	25.47%	46.47%

According to the data of the China Nonferrous Metals Industry Association and the China Gold Association, in 2022, the production volume of mine-produced copper, mine-produced gold and mine-produced zinc in China was 1.874 million tonnes, 295.4 tonnes and 3.103 million tonnes, respectively, while the Company produced 877 thousand tonnes of mine-produced copper, 56.4 tonnes of mine-produced gold and 402 thousand tonnes of mine-produced zinc, accounting for 47%, 19% and 13% of the total domestic production volume.

Contribution of major mineral products to the operating income



Contribution of major mineral products to the gross profit



Operations *(continued)*

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

I. Copper business

Copper is considered as an “electrified metal”. It is the most widely used and difficult-to-replace metallic mineral in clean energy technologies.

- **Highlights:** During the reporting period, the production volume of mine-produced copper of the Company increased by 290 thousand tonnes. Such increment accounted for approximately 40% of the net global increment for the year. Among the major copper producers in the world, the Company has the largest growth in terms of the production volume of mine-produced copper, making it one of the top copper mining companies in the world. Among the top five newly discovered copper mines in the world during this century, the Company owns three world-class mega copper mines, including the Kamoia Copper Mine in the DR Congo, the Čukaru Peki Copper (Gold) Mine in Serbia and the Julong Copper Mine. All of them have entered into the first phase of production within a short period of time, and realised a continuous growth in resources and reserves.
- **Production volume:** The Group produced 1,568,166 tonnes of copper, representing an increase of 29.47% compared with the same period last year (same period last year: 1,211,230 tonnes, as the interest in Kamoia under the calculation is adjusted to 45%, the output is therefore increased by 5,732 tonnes, and the output in the 2021 announcement has been adjusted).
- **Among which:** 877,317 tonnes of mine-produced copper were produced, representing an increase of 48.72% compared with the same period last year (same period last year: 589,897 tonnes).
 - 690,849 tonnes of refined copper were produced, representing an increase of 11.19% compared with the same period last year (same period last year: 621,334 tonnes).
- **Cost:** During the reporting period, the unit cost of sales of mine-produced copper was RMB19,862/tonne, representing an increase of 9.17% compared with the same period last year (same period last year: RMB18,194/tonne).
- **Contribution:** Sales income from the copper business represented 24.77% (after elimination) of the operating income during the reporting period. Gross profit generated from copper products represented 49.44% of the gross profit of the Group.

Operations *(continued)*

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	Name	Interest held by the Group	Mine-produced copper (tonne)	Mine-produced copper on equity basis (tonne)	Note
Major copper mines or enterprises	Kamoa Copper, the DR Congo (on equity basis)	44.98%	150,013	150,013	Including the interest held indirectly through Ivanhoe, the Company holds 13.59% equity interest in Ivanhoe
	Kolwezi Copper Mine, the DR Congo	72%	128,233	92,328	Including: 73,834 tonnes of electrodeposited copper
	Julong Copper, Tibet	50.1%	114,977	57,603	
	Serbia Zijin Mining	100%	111,021	111,021	
	Duobaoshan Copper Industry, Heilongjiang	100%	110,568	110,568	
	Serbia Zijin Copper	63%	92,977	58,575	Including: 24,665 tonnes of electrolytic copper
	Zijinshan Copper and Gold Mine, Fujian	100%	86,012	86,012	Including: 22,482 tonnes of electrodeposited copper
	Ashele Copper Mine	51%	44,136	22,509	
	Bisha, Eritrea	55%	17,098	9,404	
	Hunchun Zijin, Jilin	100%	12,138	12,138	
Total of other mines			10,144	7,944	
Total			877,317	718,115	

	Name	Interest held by the Group	Refined copper (tonne)	Refined copper on equity basis (tonne)
Major copper refineries	Zijin Copper	100%	386,064	386,064
	Heilongjiang Zijin Copper	100%	164,648	164,648
	Jilin Zijin Copper	100%	137,033	137,033
Total from other copper refineries			3,104	2,925
Total			690,849	690,670

Operations *(continued)*

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II. Gold business

As global uncertainty continues to increase, the value of gold as a “ballast” for anti-inflation and anti-risk becomes more prominent, making gold an extremely attractive investment.

- Highlights: The Company is the largest mine-produced gold producer in China. Gold business is an important contributor to the Company’s operating income and profit. During the reporting period, the Company’s gold business entered a fast growth lane, with a large number of gold projects successfully invested and acquired. As a result, the Company’s gold resources and production capacity have significantly increased. Among which, the newly added gold resources were approximately 682 tonnes, representing approximately 22% of the Company’s total gold resources. The construction of projects such as Shanxi Zijin, Guizhou Zijin, the Binduli Gold Mine of Norton in Australia, the Buriticá Gold Mine in Colombia and the pressurised oxidation project of Zeravshan in Tajikistan progressed in an orderly manner.
- Production volume: The Group produced 314,910kg (10,124,575 ounces) of gold, representing a decrease of 1.39% compared with the same period last year (same period last year: 319,348kg).
- Among which: 56,360kg (1,812,021 ounces) was mine-produced gold, representing an increase of 18.76% compared with the same period last year (same period last year: 47,459kg);
 258,550kg (8,312,554 ounces) of refined, processed and trading gold was produced, representing a decrease of 4.91% compared with the same period last year (same period last year: 271,890kg).
- Cost: During the reporting period, the unit cost of sales of mine-produced gold was RMB191.77/gramme, representing an increase of 8.82% compared with the same period last year (same period last year: RMB176.22/gramme).
- Contribution: Sales income from the gold business represented 38.41% (after elimination) of the operating income during the reporting period. Gross profit generated from gold products represented 24.55% of the gross profit of the Group. (1 troy ounce = 31.1035 grammes)

Operations *(continued)*

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	Name	Interest held by the Group	Mine-produced gold (kg)	Mine-produced gold on equity basis (kg)
Major gold mines or enterprises	Buriticá Gold Mine, Colombia	69.28%	7,679	5,320
	Zeravshan, Tajikistan	70%	6,456	4,519
	Longnan Zijin	84.22%	5,525	4,653
	Norton, Australia	100%	5,501	5,501
	Serbia Zijin Mining	100%	4,730	4,730
	Alтынкен, Kyrgyzstan	60%	3,831	2,299
	Guizhou Zijin	56%	2,773	1,553
	Aurora, Guyana	100%	2,725	2,725
	Luoyang Kunyu	70%	2,696	1,887
	Duobaoshan Copper Industry, Heilongjiang	100%	2,609	2,609
	Serbia Zijin Copper	63%	2,560	1,613
	Hunchun Zijin, Jilin	100%	2,219	2,219
	Shanxi Zijin	100%	2,062	2,062
Total of other mines			4,995	4,225
Total			56,360	45,915

	Name	Interest held by the Group	Refined gold (kg)	Refined gold on equity basis (kg)
Major gold refineries	Zijin Gold Smelting	100%	156,470	156,470
	Cross-Strait Gold Jewelry Industrial Park	50.3%	45,923	23,122
	Zijin Yinhui	100%	25,557	19,200
Total from other gold refineries			30,600	30,600
Total			258,550	229,392

Operations *(continued)*

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III. Zinc (Lead) business

Zinc, as a basic industrial metal, is widely used in automotive manufacturing, battery energy storage, metallurgy, electrical and other fields.

- Highlights: The Company is the largest mine-produced zinc producer in China, with significant capacity and profitability in low grade zinc (lead) ore development. During the reporting period, phase 4 of Zijin Zinc's flotation processing system commenced commissioning and trial production.
- Production volume: The Group produced 720,776 tonnes of zinc, representing an increase of 0.26% compared with the same period last year (same period last year: 718,883 tonnes).
- Among which: The Group produced 402,321 tonnes of mine-produced zinc in concentrate form, representing an increase of 1.48% compared with the same period last year (same period last year: 396,443 tonnes);
 318,454 tonnes of zinc bullion were produced from refineries, representing a decrease of 1.24% compared with the same period last year (same period last year: 322,440 tonnes).
 39,661 tonnes of lead in concentrate form were produced, representing an increase of 4.53% compared with the same period last year (same period last year: 37,942 tonnes).
- Cost: During the reporting period, the unit cost of sales of mine-produced zinc was RMB8,017/tonne, representing an increase of 8.80% compared with the same period last year (same period last year: RMB7,369/tonne).
- Contribution: Sales income from the zinc (lead) business represented 4.55% (after elimination) of the operating income during the reporting period. Gross profit generated from zinc (lead) products represented 7.68% of the gross profit of the Group.

Operations *(continued)*

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Major zinc (lead) mines or enterprises	Name	Interest held by the Group	Mine-produced zinc (tonne)	Mine-produced lead (tonne)	Total of mine-produced zinc + mine-produced lead (tonne)	Total of mine-produced zinc + mine-produced lead on equity basis (tonne)
	Zijin Zinc	100%	140,760	20,225	160,985	160,985
	Bisha, Eritrea	55%	120,529	–	120,529	66,291
	Longxing, Russia	70%	85,382	6,219	91,601	64,121
	Urad Rear Banner Zijin	95%	45,302	9,984	55,286	52,522
	Ashele Copper Mine	51%	9,419	–	9,419	4,804
Total of other mines			929	3,233	4,163	3,902
Total			402,321	39,661	441,983	352,625

Major zinc (lead) refineries	Name	Interest held by the Group	Zinc bullion (tonne)	Zinc bullion on equity basis (tonne)
	Bayannur Zijin	87.2%	213,353	186,044
	Xinjiang Zijin Non-ferrous	100%	105,101	105,101
Total			318,454	291,145

Operations *(continued)*

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IV. Silver, iron, cobalt, sulphuric acid and other businesses

- **Highlights:** The Company is a significant silver, iron ore, cobalt and sulphuric acid (as by-product) producer in China. During the reporting period, the Company's silver resources (including associated resources) and reserves increased significantly. The Company's output in mine-produced silver ranked among the top in China.
- **Production volume:** The Group produced 1,088,966kg of silver, representing an increase of 19.45% compared with the same period last year (same period last year: 911,649kg).
- **Among which:** 701,508kg of silver was produced from refineries as by-product, representing an increase of 16.37% compared with the same period last year (same period last year: 602,842kg);
 387,458kg of mine-produced silver was produced, representing an increase of 25.47% compared with the same period last year (same period last year: 308,806kg).
 3.35 million tonnes of iron ore were produced, representing a decrease of 21.09% compared with the same period last year (same period last year: 4.25 million tonnes).
 3,643 tonnes of mine-produced tungsten, 4,576 tonnes of mine-produced molybdenum and 2,506 tonnes of mine-produced cobalt were produced; certain copper, zinc and gold refineries produced 3,022,987 tonnes of sulphuric acid as by-product, representing an increase of 2.38% compared with the same period last year (same period last year: 2,952,731 tonnes).
- **Cost:** During the reporting period, the unit cost of sales of mine-produced silver was RMB1.63/gramme, representing an increase of 4.22% compared with the same period last year (same period last year: RMB1.57/gramme); the unit cost of sales of iron ore was RMB214.16/tonne, representing an increase of 2.43% compared with the same period last year (same period last year: RMB209.08/tonne).
- **Contribution:** Sales income from silver, iron ore and other products represented 32.27% (after elimination) of the operating income during the reporting period, the gross profit of which represented 18.33% of the gross profit of the Group.

Operations *(continued)*

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Major silver mines or enterprises	Name	Interest held by the Group	Mine-produced silver (kg)	Mine-produced silver on equity basis (kg)
	Bisha, Eritrea	55%	49,855	27,420
	Duobaoshan Copper Industry, Heilongjiang	100%	40,902	40,902
	Luoyang Kunyu	70%	40,984	28,689
	Ashele Copper Mine	51%	29,943	15,271
	Zijinshan Copper and Gold Mine, Fujian	100%	29,935	29,935
	Longxing in Russia	70%	29,218	20,452
	Shanxi Zijin	100%	28,938	28,938
	Julong Copper, Tibet	50.1%	66,276	33,204
Total of other mines			71,407	53,584
Total			387,458	278,395

Major iron mines or enterprises	Name	Interest held by the Group	Iron ore (million tonnes)	Iron ore on equity basis (million tonnes)
	Xinjiang Jinbao	56%	2.35	1.32
	Makeng Mining	41.5%	0.88 (on equity basis)	0.88
Total of other mines			0.12	0.06
Total			3.35	2.26

Major sulphuric acid producing enterprises	Name	Interest held by the Group	Sulphuric acid (tonne)	Sulphuric acid on equity basis (tonne)
	Zijin Copper	100%	1,059,319	1,059,319
	Heilongjiang Zijin Copper	100%	699,011	699,011
	Jilin Zijin Copper	100%	500,984	500,984
	Bayannur Zijin	87.2%	376,005	327,876
	Xinjiang Zijin Non-ferrous	100%	220,148	220,148
	Serbia Zijin Copper	63%	94,312	59,417
	Luoning Zijin	100%	73,208	55,011
Total			3,022,987	2,921,766

Operations *(continued)*

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V. Green energy and advanced material business

Adhere to the strategy of “resources as the main business, processing and metallurgy as the supporting business and material production as the robust business”, strive to develop the new energy and advanced material business as the Company’s new growth driver.

- Highlight: During the reporting period, the Company increased the use of photovoltaic and other green power generation. The power accumulatively generated amounted to 360 million kWh, reduced approximately 210 thousand tonnes of CO₂ emission, which is equivalent to planting 11.67 million trees. The achievement of carbon reduction is remarkable. For hydrogen business, focus was placed on the demonstration scenario of industrial application of ammonia hydrogen energy. The Company has made effective progress in securing ammonia sources and developed the first ammonia-powered fuel-cell passenger bus, ammonia-hydrogen power plant and demonstration station with on-site ammonia-to-hydrogen conversion and hydrogen filling in China. The 2 electrolytic copper foil production lines of the Company produced lithium battery copper foil of 4.5-8 micrometres during the trial run. The lithium iron phosphate production line with a capacity of 20 thousand tonnes was put into production. The precursor iron phosphate production line commenced construction. The highly-efficient hot rolling copper alloy strip production line was put into trial run. The potassium gold cyanide and photovoltaic silver powder projects were developed in an orderly manner.

Item	Unit	Accumulatively generated	Change compared with the same period last year
Power generated from renewable energy	10MWh	25,746	127%
Power generated from hydropower	10MWh	20,143	88%
Power generated from photovoltaics	10MWh	3,149	411%
Power generated from gravitational potential	10MWh	2,454	/
Power generated from waste heat	10MWh	10,814	26%
Total	10MWh	36,560	82%

Business of Longking (600388.SH)

- Highlight: During the reporting period, the Company acquired and obtained the controlling interest of Longking. The transition and upgrade of Longking’s environmental protection business was accelerated, the double growth driver strategy of “environmental protection + renewable energy” were implemented, continuously consolidating and strengthening its environmental protection business. Wind power, solar power, power storage and other new energy businesses were developed in full effort. A batch of wind power and solar power projects were launched to support the Company’s mines in Heilongjiang, Tibet, Serbia, Guyana, etc. The battery storage project in Shanghang, the battery storage PACK and system integration project of Longking and SVOLT commenced. Meanwhile, operation and management system reform of the enterprise was accelerated, the restructuring of its board of directors and supervisory committee was completed, and the management team was downsized. Strategic asset allocation was carried out proactively, and certain businesses were strategically downsized. The value of resource allocation was maximised, and there was a more robust momentum of market-oriented operation.

During the reporting period, the major economic indicators of Longking showed continuous improvement. Its image and recognition in the market were significantly improved. Longking realised operating income of RMB11.88 billion during the year, representing an increase of 5% compared with the same period last year (same period last year: RMB11.297 billion). It recorded profit before tax of RMB938 million (same period last year: RMB977 million) and net profit attributable to the parent of RMB804 million (same period last year: RMB860 million), respectively. As at the end of the reporting period, Longking’s total assets amounted to RMB26.418 billion (as at the end of the previous reporting period: RMB26.910 billion). Among which, its net assets amounted to RMB7.577 billion (as at the end of the previous reporting period: RMB7.024 billion). The market capitalisation of Longking doubled since the date of acquisition by the Company.



Operations *(continued)*

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VI. Other equity investment business

Activate synergies among financial, monetary, trading and capital capabilities, and appropriately extend to investments in mining and new energy-related industries to consolidate and strengthen the Company's sustainable growth momentum.

- Highlights: The Company has made significant progress in developing a number of upstream and downstream projects in the industry chain through equity investments and investments in associates. During the reporting period, the Company's domestic investments in Longking, Jiayou International and Zhaojin Mining, as well as its overseas investments in Ivanhoe and other listed investees all achieved significant value appreciation. The Company's equity investments in Sichuan Rongda Gold Co., Ltd. ("Sichuan Gold") and Science Environmental Protection Co., Ltd. ("Science") were successfully listed on the Main Board of the Shenzhen Stock Exchange and the STAR Market of the Shanghai Stock Exchange. The aforesaid investments have accumulated appreciation of more than RMB10 billion, resulting in a significant appreciation of the Company's equity investments.

Abbreviation	Stock code	Proportion of share-holding owned by the Company	Announcement date for the initial investment	Share price at the time of the first announcement	Acquisition cost (RMB billion)	Share price as at 31 December 2021 (before reinstatement)	Share price as at 30 December 2022	Accumulative appreciation up to the end of 2022 (RMB billion)	Market capitalisation of the investment (RMB billion)	Market capitalisation/ Initial investment
Ivanhoe	IVN	13.59%	23 March 2015	CAD 1.09	2.325	CAD10.32	CAD10.7	6.770	9.095	3.91
Sichuan Gold ¹	001337.SZ	8.95%	August 2006	/	0.075	/	RMB32.07 (share price as at 21 March 2023)	/	1.205	16.06
Science	688480.SH	21.22%	April 2016	/	0.198	/	RMB 22.12	/	0.445	2.25
Jiayou International	603871.SH	17.56%	17 December 2021	RMB15.40	1.175	RMB14.55	RMB22.60	0.403	1.578	1.34
Jiangnan Chemical	002226.SZ	21.81%	28 April 2022	RMB4.93	3.037	RMB5.88	RMB4.9	-0.206	2.831	0.93
Longking ²	600388.SH	15.86% direct shareholding together with execution of voting rights, representing 25.86% of the voting rights	8 May 2022	RMB8.37	1.841	RMB8.44	RMB14.65	0.648	2.489	1.35
Zhaojin Mining	1818.HK	20%	6 November 2022	HKD7.5	4.063	HKD6.66	HKD8.68	1.008	5.071	1.25

Notes:

- Sichuan Gold was officially listed in March 2023, and the share price as at 21 March 2023 is used for the calculation of market capitalisation.
- As at the end of 2022, the Company directly held 14.99% of the shares of Longking. Zijin Mining Investment (Shanghai) Co., Ltd. and Zijin Mining Group Capital Investment Co., Ltd., both are wholly-owned subsidiaries of the Company, held 0.42% and 0.45% of the shares of Longking, respectively. The Company held a total of 15.86% of the shares of Longking; adding the entrustment of execution of voting rights, the Company held a total of 25.86% of the voting rights.

Operations *(continued)*

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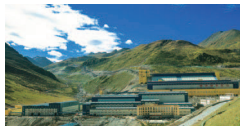
Information on the reserves, resources and operations of key mines

Cu				
	Project name	Čukaru Peki Copper and Gold Mine	Bor Copper Mine	Kamao Copper Mine
Mineral type	Copper, gold	Copper, gold	Copper	Copper, cobalt
Geographical location	Bor City, Serbia	Bor City, Serbia	Lualaba Province, the DR Congo	Kolwezi City, the DR Congo
Shareholding proportion	100%	63%	45% (including interest held through Ivanhoe)	72%
Project status	Upper Zone: in production + Lower Zone: under construction	In production + technological upgrade and expansion	In production + technological upgrade and expansion	In production
Deposit type	High-sulphidation epithermal + porphyry	High-sulphidation epithermal + porphyry	Sedimento-metamorphic and transformation	Sedimento-metamorphic and transformation
Resources	<ul style="list-style-type: none"> ⦿ Upper Zone: 1.45 million tonnes of copper @2.63%, 76 tonnes of gold @1.37 grammes/tonne ⦿ Lower Zone: 18.55 million tonnes of copper @0.76%, 385 tonnes of gold @0.16 gramme/tonne 	<ul style="list-style-type: none"> ⦿ 10.79 million tonnes of copper @0.45% ⦿ 380 tonnes of gold @0.16 gramme/tonne 	<ul style="list-style-type: none"> ⦿ 43.12 million tonnes of copper @2.54% 	<ul style="list-style-type: none"> ⦿ 2.40 million tonnes of copper @3.91% ⦿ 64.7 thousand tonnes of cobalt @0.11%
Mining and processing method	Underground mining + flotation processing	Open-pit mining + underground mining + gravity separation + flotation processing	Underground mining + flotation processing	Open-pit mining + flotation processing + hydrometallurgy
Production volume in 2022	<ul style="list-style-type: none"> ⦿ 111 thousand tonnes of copper ⦿ 4.7 tonnes of gold 	<ul style="list-style-type: none"> ⦿ 93 thousand tonnes of copper ⦿ 2.6 tonnes of gold 	<ul style="list-style-type: none"> ⦿ 333 thousand tonnes of copper (on 100% equity interest) 	<ul style="list-style-type: none"> ⦿ 128 thousand tonnes of copper ⦿ 2,506 tonnes of cobalt
Production plan in 2023	<ul style="list-style-type: none"> ⦿ 120 thousand tonnes of copper ⦿ 5.1 tonnes of gold 	<ul style="list-style-type: none"> ⦿ 120 thousand tonnes of copper ⦿ 2.4 tonnes of gold 	<ul style="list-style-type: none"> ⦿ 423 thousand tonnes of copper (on 100% equity interest) 	<ul style="list-style-type: none"> ⦿ 126 thousand tonnes of copper ⦿ 2,387 tonnes of cobalt
Technological upgrade and production expansion	<ul style="list-style-type: none"> ⦿ The pre-feasibility study of the design of large-scale caving method development at the Lower Zone has been completed. Preliminary work and licence application are underway 	<ul style="list-style-type: none"> ⦿ The mining method of the JM Mine changes from the filling method to the caving method, striving to complete construction and commence production by the end of 2025 	<ul style="list-style-type: none"> ⦿ The joint technological upgrade and capacity expansion plan for phase 1 and 2 is expected to complete in April 2023. By then, the copper output will reach 450 thousand tonnes per annum, positioning Kamao-Kakula as the world's fourth largest copper producer ⦿ Phase 3 expansion and copper smelter with a copper anode production capacity of 500 thousand tonnes per annum are expected to complete construction and commence production in October 2024. By then, the production capacity can reach 620 thousand tonnes per annum ⦿ When the project's production capacity increases to 19 million tonnes per annum, it will become the world's second largest copper mining complex, with copper production of 800 thousand tonnes per annum 	

Operations *(continued)*

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Cu



Project name	Julong Copper Mine	Duobaoshan Copper (Molybdenum) Mine	Zijinshan Copper and Gold Mine	Ashele Copper Mine
Mineral type	Copper	Copper, gold	Copper, gold	Copper
Geographical location	Lhasa City, Tibet Autonomous Region	Nenjiang County, Heihe City, Heilongjiang Province	Shanghang County, Longyan City, Fujian Province	Habahe County
Shareholding proportion	50.1%	100%	100%	51%
Project status	In production + expansion	In production + under construction	In production	In production
Deposit type	Porphyry + skarn	Porphyry	Epithermal hydrothermal-porphyry	Massive sulphide copper-zinc deposit
Resources	<ul style="list-style-type: none"> ⦿ 18.90 million tonnes of copper @0.33% ⦿ 13,143 tonnes of silver @2.51 grammes/tonne ⦿ 1.1571 million tonnes of molybdenum @0.02% 	<ul style="list-style-type: none"> ⦿ 2.49 million tonnes of copper @0.41% ⦿ 77 thousand tonnes of molybdenum @0.01% ⦿ 65 tonnes of gold @0.12gramme/tonne 	<ul style="list-style-type: none"> ⦿ 1.25 million tonnes of copper @0.47% 	<ul style="list-style-type: none"> ⦿ 558 thousand tonnes of copper @1.9% ⦿ 268 thousand tonnes of zinc @0.9% ⦿ 8.5 tonnes of gold @0.29 gramme/tonne
Mining and processing method	Open-pit mining + flotation processing	Open-pit mining, underground mining + flotation processing	Open-pit mining, underground mining + floating procession, hydrometallurgy	Underground mining + floating processing
Production volume in 2022	<ul style="list-style-type: none"> ⦿ 115 thousand tonnes of copper ⦿ 2,330 tonnes of molybdenum 	<ul style="list-style-type: none"> ⦿ 111 thousand tonnes of copper ⦿ 2,246 tonnes of molybdenum ⦿ 2.6 tonnes of gold 	<ul style="list-style-type: none"> ⦿ 86 thousand tonnes of copper ⦿ 1.93 tonnes of gold 	<ul style="list-style-type: none"> ⦿ 44 thousand tonnes of copper
Production plan in 2023	<ul style="list-style-type: none"> ⦿ 152 thousand tonnes of copper ⦿ 3,940 tonnes of molybdenum 	<ul style="list-style-type: none"> ⦿ 100 thousand tonnes of copper ⦿ 1,800 tonnes of molybdenum 	<ul style="list-style-type: none"> ⦿ 86 thousand tonnes of copper 	<ul style="list-style-type: none"> ⦿ 41 thousand tonnes of copper
Technological upgrade and production expansion	<ul style="list-style-type: none"> ⦿ It is planned to implement the construction of phase 2 and phase 3 in stages. Among which, the preparation of the technological upgrade and production expansion of phase 2 with 200 thousand tonnes per day is underway. After the construction of phase 2 and phase 3 is fully completed, the mining and processing volume will be around 200 million tonnes of ore per annum and output of copper will be 600 thousand tonnes per annum 	<ul style="list-style-type: none"> ⦿ Construction of the caving mining method project of the Tongshan Copper Mine no. 2 orebody is accelerated, striving to complete construction and commence production in July 2024 	<ul style="list-style-type: none"> ⦿ Research on the caving method at the periphery of the Luoboling Copper Mine is underway. At the same time, a new round of exploration to increase reserves is being carried out 	



Picture: Julong Copper Mine project in Tibet

Operations *(continued)*

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

Au



Project name	Buriticá Gold Mine	Rosebel Gold Mine	Aurora Gold Mine	Norton
Mineral type	Gold, silver	Gold	Gold	Gold
Geographical location	Municipality of Buriticá, Colombia	Brokopondo and Sipaliwini Districts, Suriname	Cuyuni-Mazaruni Region, Guyana	Western Australia, Australia
Shareholding proportion	69.28%	95%	100%	100%
Project status	In production + expansion	In production + technological upgrade and optimisation	In production	In production + technological upgrade and expansion
Deposit type	Epithermal	Greenstone belt gold deposit	Ductile shear and porphyry	Greenstone ductile shear belt
Resources	<ul style="list-style-type: none"> 322 tonnes of gold @6.61 grammes/tonne 1,124 tonnes of silver @23.12 grammes/tonne 	<ul style="list-style-type: none"> 217 tonnes of gold @1.11 grammes/tonne 	<ul style="list-style-type: none"> 187 tonnes of gold @2.54 grammes/tonne 	<ul style="list-style-type: none"> 366 tonnes of gold @0.90 gramme/tonne
Mining and processing method	Underground mining + gravity separation + flotation processing + cyanide leaching	Open-pit mining + cyanide leaching	Open-pit mining + gravity separation	Open-pit mining + underground mining + flotation processing
Production volume in 2022	<ul style="list-style-type: none"> 7.7 tonnes of gold 18 tonnes of silver 	<ul style="list-style-type: none"> Up to the end of 2021, about 176 tonnes of gold were produced accumulatively, the average annual gold output was 314 thousand ounces (about 10 tonnes) 	<ul style="list-style-type: none"> 2.7 tonnes of gold 	<ul style="list-style-type: none"> 5.5 tonnes of gold
Production plan in 2023	<ul style="list-style-type: none"> 8.2 tonnes of gold 	<ul style="list-style-type: none"> 6.1 tonnes of gold (from February to December 2023) 	<ul style="list-style-type: none"> 3.7 tonnes of gold 	<ul style="list-style-type: none"> 8.0 tonnes of gold
Technological upgrade and production expansion	<ul style="list-style-type: none"> Technological upgrade with a mining and processing capacity of 4,000 tonnes per day is completed. The project can produce more than 8 tonnes of gold per annum 	<ul style="list-style-type: none"> One of the largest in-production open-pit gold mines in South America The construction scale of technological upgrade is planned to be 10 million tonnes per annum. The average gold production volume of the project is expected to be 10 tonnes per annum when it completes construction and reaches the designated production capacity 	<ul style="list-style-type: none"> Technological upgrade and process optimisation of the project are in full swing. After reaching the designated production capacity, the project will produce over 4 tonnes of gold per annum 	<ul style="list-style-type: none"> The 5 million tonnes per annum low-grade gold mine heap leach project completed construction and commenced production in September 2022. After reaching the designated production capacity, the extra gold metal production will be approximately 2.5 tonnes per annum The construction of the refractory gold mine project is basically completed, which can further extend the service life of the Paddington Mill

Operations *(continued)*

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

Au



Project name	Zeravshan	Altynken	Shanxi Zijin	Longnan Zijin
Mineral type	Gold	Gold	Gold	Gold
Geographical location	Sughd Region, Tajikistan	Kemin District, Kyrgyzstan	Shahe Town, Fanshi County, Shanxi Province	Luoba Town, Li County, Gansu Province
Shareholding proportion	70%	60%	100%	84.22%
Project status	In production + technological upgrade and expansion	In production	In production + expansion	In production
Deposit type	Porphyry-skarn	Tectonic altered rock	Mid-low temperature hydrothermal + porphyry	Para-Carlin
Resources	① 104 tonnes of gold @1.86 grammes/tonne	① 51 tonnes of gold @4.15 grammes/tonne	① 114 tonnes of gold @1.86 grammes/tonne	① 145 tonnes of gold @2.07 grammes/tonne
Mining and processing method	Open-pit mining + flotation processing	Underground mining + flotation processing	Underground mining + gravity separation + flotation processing	Open-pit mining + underground mining + flotation processing
Production volume in 2022	① 6.5 tonnes of gold	① 3.8 tonnes of gold	① 2.1 tonnes of gold	① 5.5 tonnes of gold
Production plan in 2023	① 5.9 tonnes of gold	① 3.7 tonnes of gold	① 5.45 tonnes of gold	① 5.4 tonnes of gold
Technological upgrade and production expansion	① Construction of the 500 tonnes per day pressurised oxidation project is planned to complete and commence production in September 2023		① The 6,000 tonnes per day technological upgrade and expansion project of the intellectualised mining and processing will complete construction in the second quarter of 2023, with an additional gold production of 3 to 4 tonnes per annum	① Pre-development preparation of the Jinshan Gold Mine 2,000 tonnes per day is under progress



Picture: The slope of Duzikeng of Zijinshan Gold and Copper Mine (botanical garden)

Operations *(continued)*

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Au



Project name	Guizhou Zijin	Haiyu Gold Mine	Sawaya'erduan Gold Mine
Mineral type	Gold	Gold	Gold
Geographical location	Zhenfeng County, Qianxinan Prefecture, Guizhou Province	Laizhou City, Shandong Province	Wuqia County
Shareholding proportion	56%	The Company directly holds 30%, as well as 20% equity interest in Zhaojin Mining. Actual interest held by the Company is 44%	70%
Project status	In production + expansion	Under construction	Under construction
Deposit type	Carlin	Mesothermal magmatic hydrothermal deposit	Para-Carlin
Resources	① 188 tonnes of gold @5.12 grammes/tonne	① 562 tonnes of gold @4.2 grammes/tonne	① 60.06 tonnes of gold @2.58 grammes/tonne ② There are also low-grade marginal economic resources of 59.44 tonnes @1.12 grammes/tonne
Mining and processing method	Underground mining + flotation processing + pressurised pre-oxidation + gold cyanidation	Underground mining + flotation processing	Underground mining + cyanide leaching
Production volume in 2022	① 2.8 tonnes of gold	-	-
Production plan in 2023	① 3.3 tonnes of gold (including 0.8 tonne from Xinhengji)	-	-
Technological upgrade and production expansion	① The technological upgrade and expansion of the Shuiyindong Gold Mine and the Bojitian Gold Mine are speeded up. The 1,000 tonnes per day pressurised pre-oxidation project is scheduled to be completed in 2023. The 4,000 tonnes per day processing project is under early preparation and is planned to be completed in 2024	① Designated mining and processing scale is 12,000 tonnes per day. After overall production commences, the mine can produce approximately 15 to 20 tonnes of gold per annum after reaching the designated production capacity. The mine is expected to become the largest gold mine in China	① It is a rare, undeveloped 100-tonne level ultra-large gold mine in China. The planned construction scale of the project is 8,000 tonnes per day. The product of the project is gold-loaded carbon, with an output of approximately 2.76 tonnes of gold per annum after completion of construction, commencement of production and reaching the designated production capacity ② The process of licence application is speeded up. It is planned to commence construction in the second quarter of 2023 and complete construction and commence production by the end of 2024

① Zhaojin Mining

The Company holds 20% equity interest in Zhaojin Mining (1818.HK), making it the second largest shareholder of Zhaojin Mining.

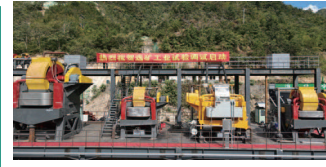
According to the JORC Code which is an international standard, as at 31 December 2021, Zhaojin Mining owned 942 tonnes of gold resources on equity basis, among which, 391 tonnes were reserves. In normal production years, Zhaojin Mining can produce approximately 20 tonnes of gold. Based on the 20% interest (the Haiyu Gold Mine is based on 44% interest), gold resources owned by the Company will increase by 323 tonnes, and the output of mine-produced gold will increase by approximately 4 tonnes per annum (on equity basis). After the Haiyu Gold Mine commences production, the output of mine-produced gold of the Company will further increase by 6.6-8.8 tonnes per annum (on equity basis).

Zhaojin Mining owns 25 mines in China, 23 of which are gold mines and 2 are copper mines, as well as 3 gold and copper smelters. Apart from the Haiyu Gold Mine, Zhaojin Mining's key mines include the Dayingezhuang Gold Mine, the Xiadian Gold Mine, the Jinchiling Gold Mine, the Zaozigou Gold Mine in Gansu with a gold smelter with a capacity of 2,000 tonnes per day, etc. Among these, the Dayingezhuang Gold Mine and the Xiadian Gold Mine are large-scale gold mines above 100 tonnes. Outside China, it holds 80% equity interest in Goldking Mining Company S.A. in Ecuador, and 9.9% interest in Sabina Gold & Silver Corp.

Operations *(continued)*

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Li



Project name	Tres Quebradas Salar in Argentina	Lakkor Tso Salar in Tibet	Xiangyuan Lithium Polymetallic Mine in Dao County, Hunan Province
Mineral type	Lithium	Lithium	Lithium
Geographical location	Catamarca Province, Argentina	Gertse County, Ngari, Tibet	Yongzhou, Dao County, Hunan Province
Shareholding proportion	100%	70%	66%
Project status	Under construction	Under construction	In production + under construction
Deposit type	Brine	Brine, sodium sulphate subtype alkaline brine lake	Greisen-type low-grade lithium polymetallic deposit
Resources	<ul style="list-style-type: none"> ⌚ Around 7.63 million tonnes of LCE @641mg/L (cut-off grade of lithium ion concentration at 400mg/L) ⌚ One of the largest and highest grade projects of its kind in the world 	<ul style="list-style-type: none"> ⌚ Around 2.16 million tonnes of LCE @275mg/L; magnesium-to-lithium ratio is 3.32 	<ul style="list-style-type: none"> ⌚ According to the indicated and inferred resources (332+333), after the verification of the latest resources and reserves results, LCE above the inferred level in the mining area is 840 thousand tonnes @1.06%
Mining and processing method	Precipitation method	Adsorption + membrane separation + electrodialysis (titanium adsorbent)	Open-pit mining + SABC + gravity separation by level + strong magnetic separation + concentration + filtration
Production plan in 2023	–	1,320 tonnes of battery grade LCE	2,000 tonnes of LCE
Technological upgrade and production expansion	<ul style="list-style-type: none"> ⌚ Phase 1 of the project, with an output of 20,000 tonnes of battery grade lithium carbonate per annum, is anticipated to complete construction and commence production by the end of 2023 	<ul style="list-style-type: none"> ⌚ Phase 1 of the project, with an output of 20,000 tonnes of battery grade lithium hydroxide per annum, is anticipated to complete construction and commence production by the end of 2023 	<ul style="list-style-type: none"> ⌚ Phase 1 of the project, with a production scale of 300 thousand tonnes per annum, completed construction and commenced production ⌚ Phase 2 of the project, with a production scale of 5 million tonnes per annum, is proactively progressed



“Silvinitas” operando, Proyecto 3Q - 小苏打纯池全面投入使用, 2022年11月30日 3Q盐田 © Zijin

Operations *(continued)*

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Zn

Project name	Bisha Copper and Zinc Mine	Tuva Zinc and Polymetallic Mine	Wulagen Zinc (Lead) Mine	Sanguikou Zinc (Lead) Mine
Mineral type	Zinc, copper	Zinc, lead	Zinc, lead	Zinc, lead
Geographical location	Gash-Barka Region, Eritrea	Tuva	Wuqia County	Urad Rear Banner, Inner Mongolia
Shareholding proportion	55%	70%	100%	95%
Project status	In production	In production	In production + expansion	In production
Deposit type	VMS volcanogenic massive sulphide ore deposit	Massive sulphide ore deposit	Submarine exhalative sedimentary – hydrothermal transformation	Sedimentary metamorphic stratabound
Resources	<ul style="list-style-type: none"> ③ 3.09 million tonnes of zinc @3.75% ③ 800 thousand tonnes of copper @0.97% 	<ul style="list-style-type: none"> ③ 780 thousand tonnes of zinc @6.8% 	<ul style="list-style-type: none"> ③ 5.18 million tonnes of zinc @1.90% ③ 880 thousand tonnes of lead @0.35% 	<ul style="list-style-type: none"> ③ 1.95 million tonnes of zinc @2.28%
Mining and processing method	Open-pit mining + flotation processing	Underground mining + flotation processing	Open-pit mining + floatation processing	Underground mining + flotation processing
Production volume in 2022	<ul style="list-style-type: none"> ③ 121 thousand tonnes of zinc ③ 17 thousand tonnes of copper 	<ul style="list-style-type: none"> ③ 85 thousand tonnes of zinc ③ 6.2 thousand tonnes of lead 	<ul style="list-style-type: none"> ③ 141 thousand tonnes of zinc ③ 20 thousand tonnes of lead 	<ul style="list-style-type: none"> ③ 45 thousand tonnes of zinc ③ 10 thousand tonnes of lead
Production plan in 2023	<ul style="list-style-type: none"> ③ 109 thousand tonnes of zinc ③ 17 thousand tonnes of copper 	<ul style="list-style-type: none"> ③ 85 thousand tonnes of zinc ③ 4.6 thousand tonnes of lead 	<ul style="list-style-type: none"> ③ 140 thousand tonnes of zinc ③ 21 thousand tonnes of lead 	<ul style="list-style-type: none"> ③ 50.4 thousand tonnes of zinc ③ 10.2 thousand tonnes of lead
Technological upgrade and production expansion	<ul style="list-style-type: none"> ③ The mine is the key in-production large-scale zinc mine in Eritrea. The mining and stripping capacity of the project is 32 million tonnes per annum and its designed processing capacity is 2.4 million tonnes per annum ③ Infrastructure construction at the Asheli underground mining project is progressing in an orderly manner 		<ul style="list-style-type: none"> ③ Phase 4 technological upgrade of the hydrometallurgy system project progresses in an orderly manner. It is planned to complete construction and start commissioning in 2023 ③ The reserves report on the northern wing of the Wulagen Zinc and Lead Mine is basically completed. It is planned to apply for a separate mining permit based on the 3.3 million tonnes per annum open-pit mining scale 	<ul style="list-style-type: none"> ③ Phase 2 of the Sanguikou shaft development project is scheduled to complete in the third quarter of 2024 to achieve a sustainable production capacity of 10 thousand tonnes per day of resources ③ The process of combining the mining permits of the north and south sections of Sanguikou is being expedited and is expected to complete in the third quarter of 2023

Note: In light of the complexity and volatility in market environment, the production commencement time and production plan of the above key mines are the Company's guiding indicators, which are uncertain and do not constitute any commitment to the realisation of production volume. The Company may adjust the plans based on changes in actual circumstances. Investors are advised to pay attention to the relevant risks.

Management Discussion and Analysis

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I. INFORMATION ON THE CONDITIONS OF THE INDUSTRY TO WHICH THE COMPANY BELONGS DURING THE REPORTING PERIOD

In 2022, global non-ferrous metals experienced a high price volatility. In the first half of the year, owing to multiple factors such as the Russo-Ukrainian conflict, energy crisis and supply disruptions in South America, prices of metals such as gold, copper and zinc continued to rise. Among which, copper and zinc prices reached record highs. However, since the middle of the second quarter, the Federal Reserve of the United States (the "Federal Reserve") began a process of radical interest rate hikes, and the global economy experienced a broad-based slowdown. As a result, the expectation of commodity demand weakened significantly. Global financial asset and commodity prices faced a broad-based decline. Among the major mineral products of the Company, gold price and copper price have retreated as much as over 20% and 30%, respectively. Prices of the Company's major mineral products fell after the surge during the year.

Type		Unit	Price at the end of 2022	Compared with the beginning of the year	Average price in 2022	Changes compared with the same period last year
Gold	Spot price in London	USD/ounce	1,812	-0.4%	1,800	0.1%
	Spot price in China	RMB/g	410	9.8%	392	4.7%
Silver	Spot price in London	USD/ounce	24	3.7%	22	-13.5%
	Spot price in China	RMB/kg	5,300	10.7%	4,648	-11.1%
Copper	Spot price in London	USD/tonne	8,365	-14.1%	8,805	-5.5%
	Spot price in China	RMB/tonne	66,160	-5.5%	67,503	-1.7%
Zinc	Spot price in London	USD/tonne	3,003	-16.3%	3,475	15.6%
	Spot price in China	RMB/tonne	23,960	-0.7%	25,131	11.9%
Lead	Spot price in London	USD/tonne	2,337	-0.1%	2,148	-2.4%
	Spot price in China	RMB/tonne	15,800	2.9%	15,336	-0.2%

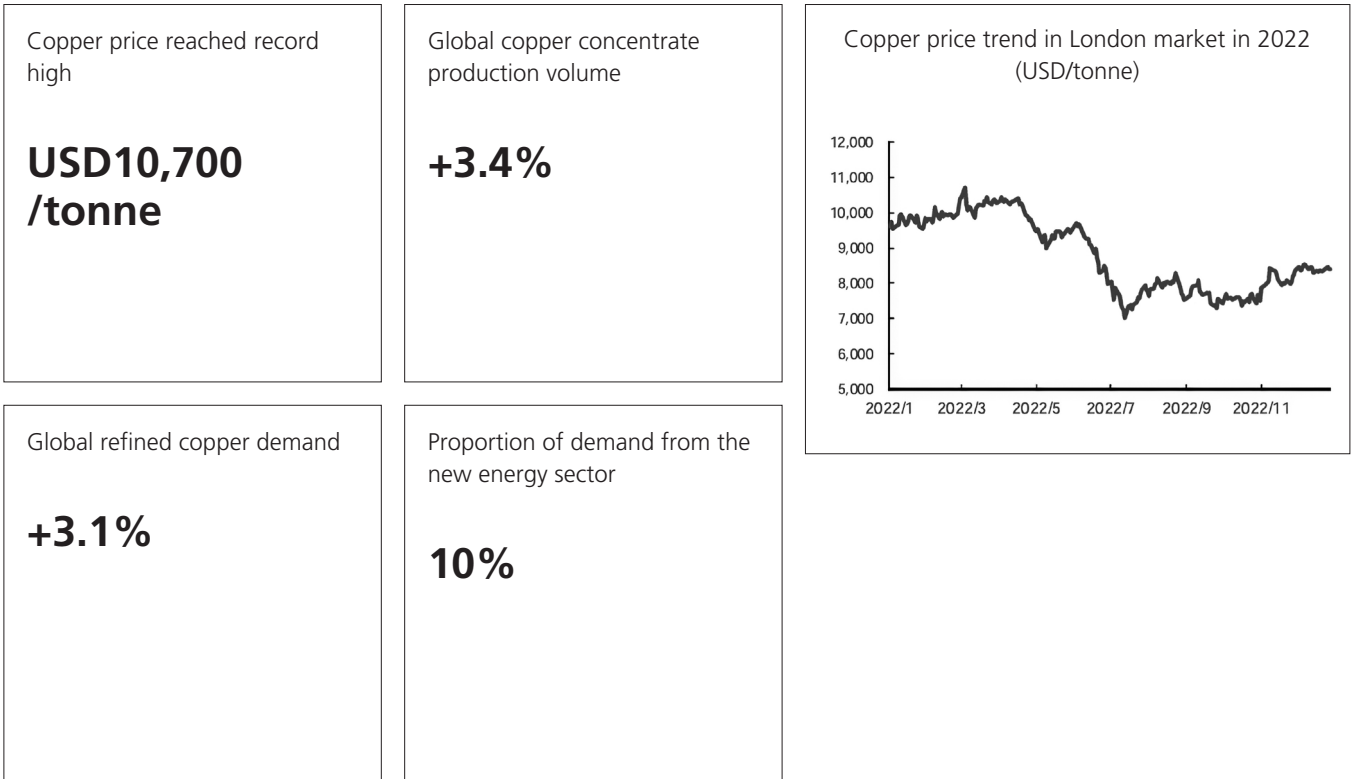
For global non-ferrous miners, there were many operational challenges in 2022. The global energy crisis stepped into a new phase, the global economy fell into a quagmire of "stagflation", leading to significant increase in the operating costs of mining enterprises. International transport capacity became tight, supply chain interruptions occurred from time to time, mining enterprises faced larger challenges in logistics, production and sales. Resource nationalism continued to rise, tensions between superpowers extended extensively into the metal mining industry, and the merger and acquisition and competition of high-quality and key minerals intensified. All of these have put forward higher-level and more comprehensive requirements on mining enterprises.

Management Discussion and Analysis *(continued)*

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1. Copper

During the reporting period, the international copper price reached a record high in the first quarter. After the second quarter, due to the impact of successive rate hikes by the Federal Reserve, copper price retreated significantly. During the reporting period, the observable global copper inventories (three major exchanges + domestic bonded areas) remained at a low level. Inventories were only approximately 240,000 tonnes at the end of 2022. Low inventory level provided relatively strong support to copper price. International Copper Study Group (ICSG) data indicated that copper concentrate supply increased by 3.4% in 2022 compared with the same period last year. The growth rate was higher than that in 2021, yet it was still weaker than industry expectations. In terms of refined copper, supply increased by 3.5% in 2022 compared with the same period last year. Refined copper demand rose by 3.1% compared with the same period last year. As the demand from the new energy sector grew rapidly, the proportion of demand from new energy to the total demand in 2022 reached 10% during the year.



Management Discussion and Analysis *(continued)*

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2. Gold

During the reporting period, the international gold price rose first, followed by a fall and then a rebound. Mainly due to the Russo-Ukrainian conflict and high inflation in the first quarter, international gold price once rose to USD2,070/ounce with the push from risk aversion and anti-inflationary demand. After seven consecutive aggressive interest rate hikes by the Federal Reserve, gold price retreated significantly. In the fourth quarter, as the U.S. economic data continued to weaken, gold price regained its upward momentum. At present, as the world is facing low growth, high inflation, geopolitical conflicts and other multiple risks, gold has increasingly become the most attractive investment product. According to the World Gold Council data, global gold demand in 2022 increased to 4,741 tonnes, the highest level since 2011, representing an increase of 18% compared with the same period last year. Among which, in 2022, global central banks purchased 1,136 tonnes of gold, representing an increase of 152% compared with the same period of last year, the highest level on record.

Global gold production volume

+2%

China's raw gold material production

+13%

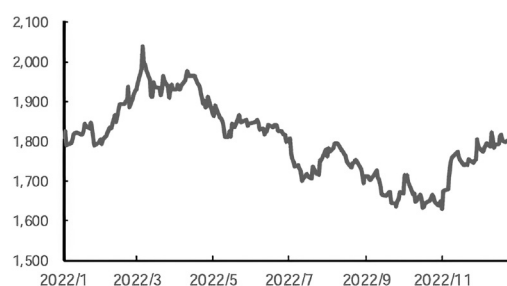
Global gold demand

+18%

Global central banks gold purchase volume

+152%

Gold price trend in LBMA in 2022
(USD/ounce)

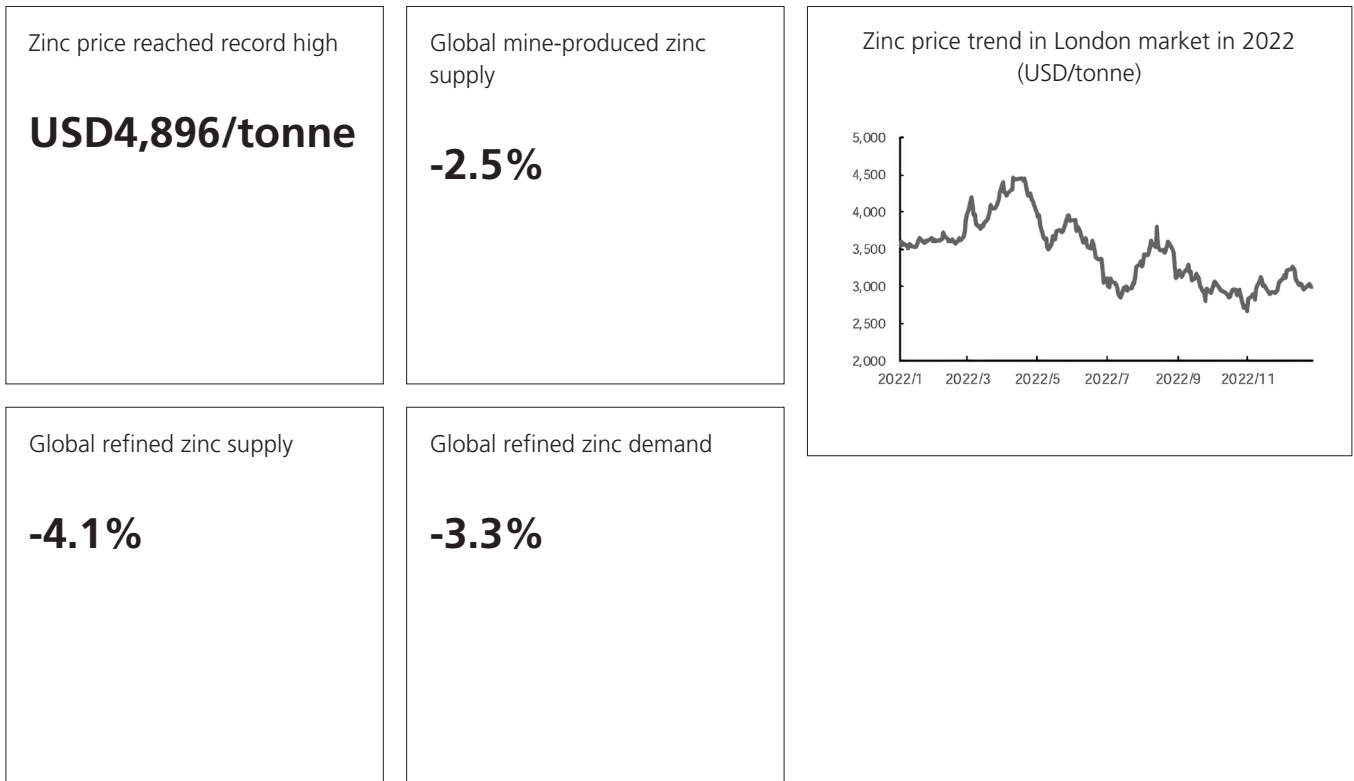


Management Discussion and Analysis *(continued)*

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3. Zinc

During the reporting period, affected by the European energy crisis, global refined zinc supply declined significantly. The LME zinc price reached a record high of USD4,896/tonne in the first quarter. In the second half of the year, as the energy crisis mitigated, the logic underpinning the high zinc price eased, coupled with the impact of successive interest rate hikes by the Federal Reserve, zinc price retreated significantly. Zinc consumption is closely linked to the real estate and automotive sectors. During 2022, under factors such as the drop in Chinese real estate investment and weakening of the global automotive sector, there was a significant decrease in global refined zinc demand. According to the International Lead and Zinc Study Group (ILZG) data, global refined zinc demand dropped 3.3% compared with the same period last year. From the aspect of supply, global mine-produced zinc supply dropped 2.5% compared with the same period last year, global refined zinc supply dropped 4.1% due to the impact of the European energy crisis, and there was a 306 thousand tonnes of shortage in refined zinc supply during the year.



Management Discussion and Analysis *(continued)*

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II. DISCUSSION AND ANALYSIS OF THE OPERATING SITUATION

During the reporting period, the unprecedented changes of the century accelerated, the world economy and society also went through profound and complex changes. The Company responded calmly with unswerving confidence. All staff of the Company served with perseverance, entrepreneurship and innovation. The major economic indicators of the Company reached multiple record highs, and its growth momentum enhanced significantly.

Significant growth in operating performance facilitated rapid growth in global contribution

The Company is committed to “providing materials that improve standards of living in a low carbon future”. During the reporting period, the production volume of the Company’s major mineral products increased significantly. Its main indicators ranked among the leading companies in China and the top 10 globally. During the year, the Company’s realised production volume of mine-produced copper, mine-produced gold, mine-produced zinc (lead) and mine-produced silver of 877.3 thousand tonnes, 56.36 tonnes, 442 thousand tonnes and 387.5 tonnes, representing an increase of 48.72%, 18.76%, 1.75% and 25.47% compared with the same period last year, respectively. The Company’s realised operating income, profit before tax and net profit attributable to owners of the listed company amounted to RMB270.329 billion, RMB29.993 billion and RMB20.042 billion, representing an increase of 20.09%, 20.97% and 27.88% compared with the same period last year, respectively. Total assets amounted to RMB306.044 billion, representing an increase of 46.72% compared with the same period last year. Net assets attributable to owners of the listed company was RMB88.943 billion, representing an increase of 25.21% compared with the same period last year. Debt-to-asset ratio was 59.33%. Net cash flows from operating activities were RMB28.679 billion, representing an increase of 10% compared with the same period last year. Current ratio remained stable.

The Company adhered to the purpose of “Mining for a better society”. For the year, its total social contribution was RMB51.012 billion, representing an increase of 29.20% compared with the same period last year.

The Company ranked 325th among the global listed companies in Forbes’ list, 1st among the global gold corporations and 7th among the global metal corporations on the list. The Company was included on the Forbes China Sustainable Development Industrial Enterprises Top 50 list. It also ranked 407th in 2022 Fortune 500 list and 53rd in 2022 Fortune China 500.

Significant achievements in environmental, social and governance (ESG) and a strong foundation for green, low-carbon sustainability

– Deep integration of corporate governance and ESG sustainability concepts

The transition of the Board, the Supervisory Committee and management of the Company to the eighth term was completed in late 2022. The new management team has a higher proportion of independent Directors and female Directors and Supervisors. Their remunerations are also linked with ESG sustainability indicators. The deepening reform characterised by “streamlining, compliance and efficiency” continued to progress. The matrix system for global operation and management ran smoothly and effectively. Reforms in authorisation and process optimisation obtained significant results. Financial, monetary, trading and supply chain systems were optimised. The global human resources system improved continuously. The level of “five-in-one” supervision and management was enhanced. The Supervisory Committee was included in the “List of Best Practices of Supervisory Committee of Listed Companies”.

Management Discussion and Analysis *(continued)*

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– Leading the Chinese mining sector to respond to and take action on climate change

The Company published “The Action Programme on Climate Change”, which is the first report to incorporate the international TCFD framework among the Chinese metal mining sector. The Company has included the realisation of the targets of “carbon peak” and “carbon neutral” and the new energy and advanced material business as important components of its development strategy for the next ten years. Green mines will be upgraded to garden-style mines. Investments in construction and application of clean energy will be increased. The foundation of safety system was strengthened, and the levels of intrinsic safety and management were effectively improved. Significant progress was made in the development of photovoltaic, wind power and battery power storage projects of Longking, as well as the industrialisation application of ammonia-hydrogen energy in collaboration with the Fuzhou University and others.

– The concept of global “common development” is deep-rooted in the hearts of people

The Company insists on the concepts of “Mining for a better society” and common development. It incorporates key issues such as environmental protection, ecology, water resources, labour, human rights, safety, community, business ethics, anti-corruption, responsible supply chain and corporate governance into the whole process of mine development activities, realising a comprehensive enhancement in terms of environmental, social and corporate benefits. In addition to providing a large number of jobs and contributing to the local economic development of those places (countries) where the Company’s projects are located, the Company has organised and implemented a series of charity and social welfare projects, providing active supports in the areas of infrastructure, culture and education, healthcare and hygiene, sports and health, industrial development and skill upgrade. The senses of belonging, gain and happiness of its employees, collaborators and people in the local communities were enhanced. The Company’s image as a large, responsible multinational company has been recognised by the governments and institutions where the projects are located.

Strong growth momentum on sustainable resources and production capacity, new growth drivers emerged

– A new batch of significant growth drivers emerged at an accelerated pace

The reserves and resources of the major minerals of the Company, such as copper, gold and zinc (lead) have ranked a leading position in China and the top 10 globally. The Company remains committed to its global layout strategy and invests in projects in China and its surrounding countries in a timely manner, obtaining a batch of quality resources at comparatively low costs. During the reporting period, numerous important mergers and acquisitions in resources and self-initiated exploration with an aim to increase reserves were realised (please refer to the prior section of “Reserves and resources” above). A new batch of world-class major projects was constructed at “Zijin speed”. Phase 2 of the Kamoia Copper Mine in the DR Congo completed construction, commenced production and reached the designated production capacity; construction of phase 3 expansion and smelter advanced beyond expectation; the Čukaru Peki Copper and Gold Mine in Serbia entered a new phase of highly-efficient, large-scale and centralised mining; phase 1 of the Julong Copper Mine reached the designated production capacity, and the preparation work of the phase 2 project has been carried out. The construction of the 40 thousand tonnes per day new processing plant of the VK Mine of Serbia Zijin Copper, phase 1 of the 5 million tonnes per annum low-grade gold heap leaching project of the Binduli North of Norton in Australia and the 7,000 tonnes per annum comprehensive recovery and utilisation project of molybdenum concentrate of Duobaoshan Copper Industry were completed and commenced production. The research project regarding the caving mining method has advanced smoothly. The JM Copper Mine of Serbia Zijin Copper and the Tongshan Mine of Duobaoshan Copper Industry have entered the construction drawing stage; the research and preliminary work on the Lower Zone of the Čukaru Peki Copper Mine in Serbia and the Zijinshan Luoboling Copper and Molybdenum Mine commenced in an orderly manner.

Management Discussion and Analysis *(continued)*

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– New energy and advanced material businesses emerged as new forces

The development of lithium-based new energy and advanced materials was accelerated. The Xiangyuan Hard Rock Lithium Mine, with production scale of 300 thousand tonnes per annum, completed construction and commenced production. The Tres Quebradas Salar in Argentina and the Lakkor Tso Salar are expected to complete construction and commence production by the end of 2023. The non-controlling interest project of the Manono Lithium Mine in the DR Congo and the PE12453 and PE13427 greenfield exploration project at its peripheral advanced in an orderly manner. The lithium iron phosphate project, electronic copper foil project and highly-efficient copper alloy intensive processing project completed construction and commenced production. Precious metal materials and metal target materials were developed steadily.

– The “five-stage life-of-mine project management procedure by in-house capabilities” mining engineering management model was comprehensively promoted and applied

Technological innovation has strengthened the Company’s empowerment. The “five-stage life-of-mine project management procedure by in-house capabilities” mining engineering management model was further promoted and applied. The capacities in self-initiated research and development, design, construction and construction management were improved continuously. Large-scale caving mining method, lithium extraction from brine and a batch of projects which aimed for science and technology breakthroughs obtained important progress. A batch of projects including Green Mining Technologies for Large-scale Mines at Cold and Ecologically Vulnerable Areas were included in the national key research and development programme or the 14th Five-Year Plan national key projects. Informationalisation, automation and intellectualisation empowered global operation, comprehensively promoted the safety level and significantly increased globalised operation and management efficiency.

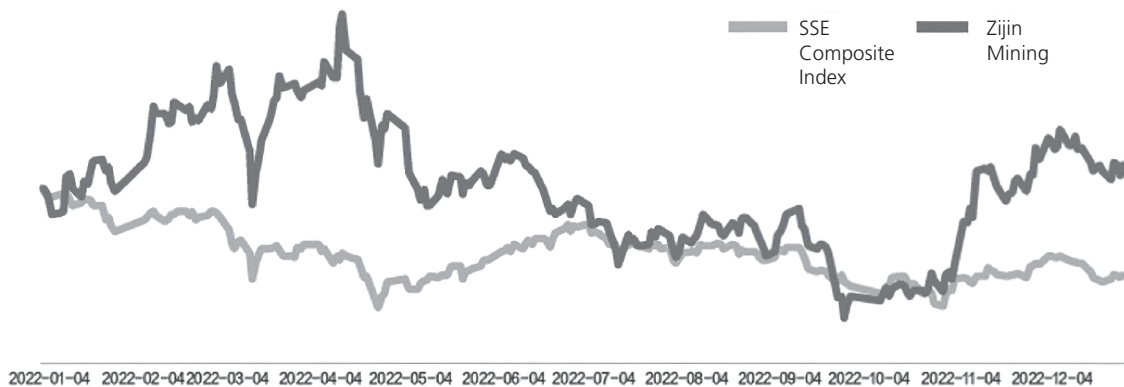
Management Discussion and Analysis *(continued)*

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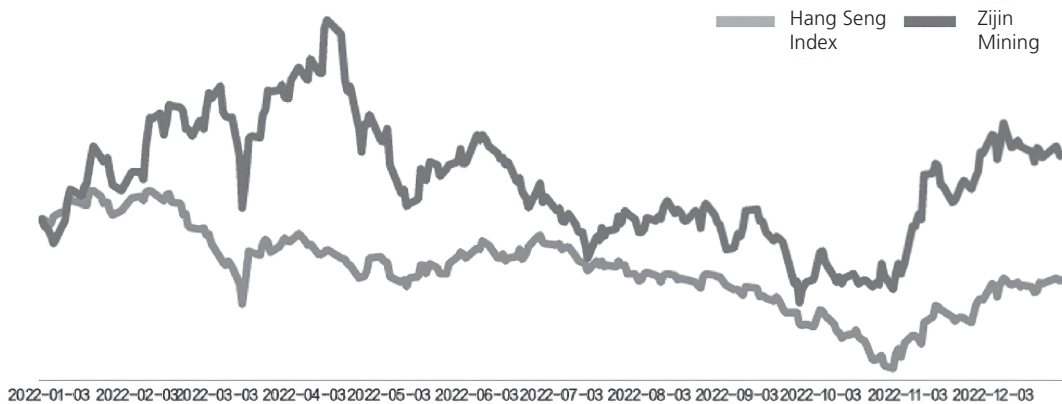
Recognition from and influence on the global capital market were further improved

The Company's A Shares are included in the SSE 50 Index, the FTSE China A50 Index, the MSCI China A 50 Index and the Hang Seng (China A) Corporate Sustainability Index. The market capitalisation of the Company has reached RMB326.9 billion. During the reporting period, the highest price of A Share and H Share reached RMB12.91 and HKD14.18, respectively. Its market capitalisation ranked top 10 among the global metal mining companies. The Company is a leading stock in the Chinese metal mining and raw material industry. The Company was favoured by public and private equity funds as well as national sovereign funds. The proportion of shares held by institutional investors increased significantly, and the investor structure was significantly optimised. The Company attached great importance to investor relations management and made announcements in compliance with international disclosure standards. The Company has received the title of enterprise with excellent information disclosure from the SSE 8 times.

● Trend of the Company's A Share price and SSE Composite Index in 2022



● Trend of the Company's H Share price and Hang Seng Index in 2022

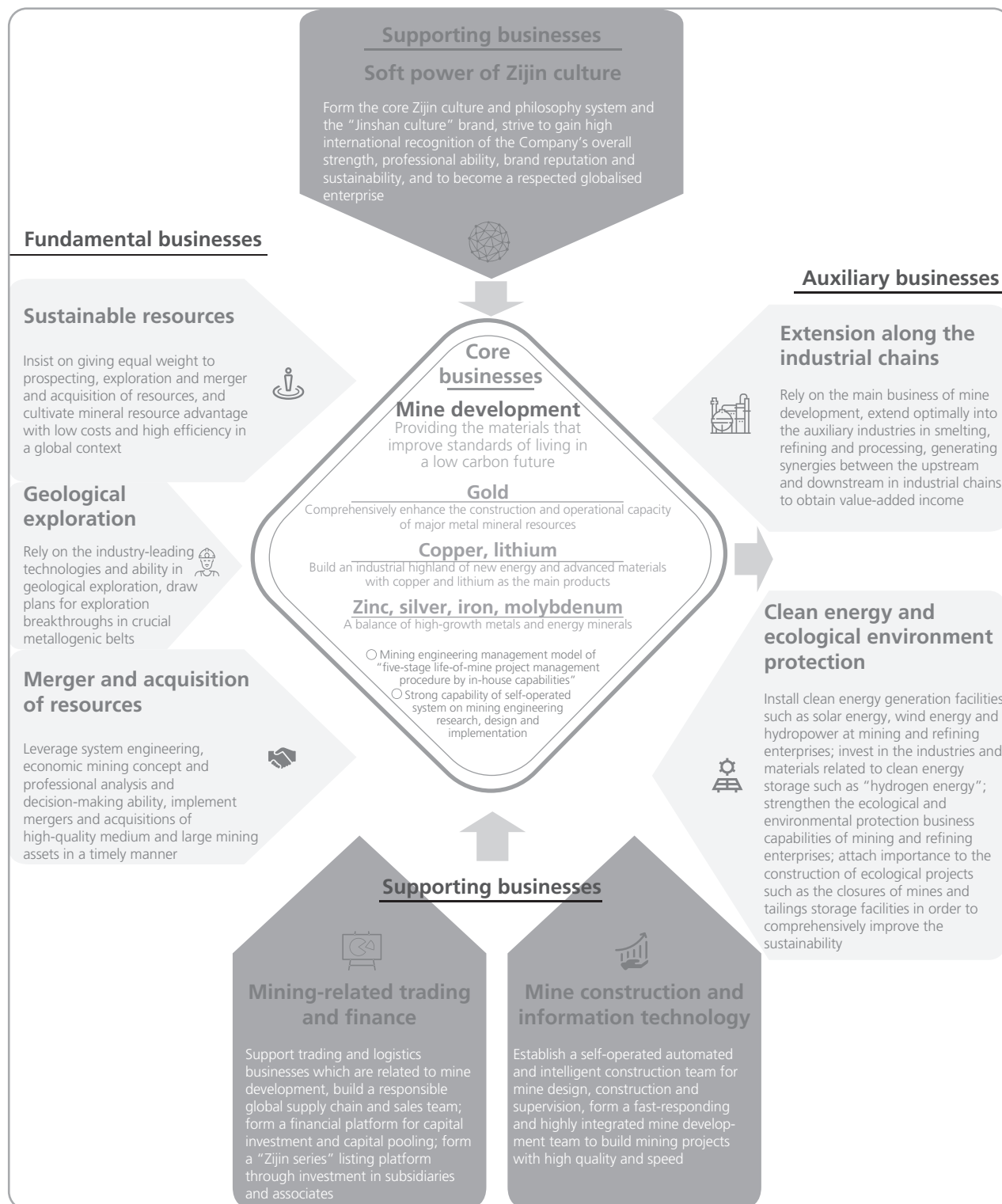


Management Discussion and Analysis *(continued)*

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III. THE BUSINESS ENGAGED BY THE COMPANY DURING THE REPORTING PERIOD

The Company builds a green, intensive, low-carbon and circular development model for a complete mining industry chain to improve standards of living.



Management Discussion and Analysis *(continued)*

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

IV. ANALYSIS OF THE CORE COMPETITIVENESS DURING THE REPORTING PERIOD

The Company was established in 1993. The Company has formed Zijin corporate culture with “common development” as its core and Zijin competitiveness system with “innovation” as its core competitiveness through practice. Innovation is the core competitiveness of the corporation; innovation is about appropriately applying scientific principles in objective reality; the best innovation is the one that suits us most; innovation is a process of constantly reinventing oneself as the driving force.

– Excellent corporate system and mechanism

The Company is one of the first Chinese mining companies that underwent mixed-ownership reform and completed the most successful corporate governance system reform. The Company operates under a separation of ownership and management, with high efficiency in decision-making and flexible operation mechanism. This is the system and mechanism advantage for the Company to realise leaping development. In the new era, the Company shall apply globalised thinking, comply with international basic rules and standards, and build a highly adaptable globalised operation and management system and governance system, so as to provide new institutional and system safeguards for participation in global market competition and global resource allocation, and to build up global competitiveness.

– Vast base of strategic mineral resources

Mineral resources are fundamental for the survival and development of mining companies. The mining industry is naturally monopolistic. Controlling resources and continuously obtaining high-quality resources confers an advantage to companies in the competition, which provides resources to secure cyclical profits and excess profits in the industry. In the process of development, Zijin Mining has used economic mining concept to achieve counter-cyclical, low-cost mergers and acquisitions, more than 46% of gold and copper resources and more than 80% of its zinc and lead resources are obtained by self-initiated exploration, transforming a large number of “non-mineral” resources into “mineral” resources.

– Huge mineral market

The Chinese market has the world’s largest demand for mineral products, but China’s basic metal resources are generally scarce. Chinese companies have extremely limited control over global resources and basically have no “right to speak”. Against the backdrop of anti-globalisation and accelerated energy transition revolution, mineral supply is expected to become one of the largest bottlenecks in building a domestic circular economy. The Company shall accelerate the transformation of resource advantage to production capacity advantage, to rapidly increase the production capacity of the major minerals. At the same time, the Company shall comprehensively enhance the synergy among trading, logistics and financial sectors, and increase the market share of mineral products and influence in both domestic and international markets.

– Self-initiated whole-process technologies and engineering R&D innovation ability

The Company possesses industry-leading technologies and abundant practical experience in geological prospecting, hydrometallurgy, comprehensive recovery and utilisation of low-grade refractory resources, large-scale engineering development and so on. The Company pioneers the mining engineering management model of “five-stage life-of-mine project management procedure by in-house capabilities”, which follows ore treatment process and realises coordinated research on five procedures of geological prospecting, mining, processing, metallurgy and environmental protection as well as full process control, enabling maximisation of economic and social benefits. The project construction and operation shall be guided by systems engineering and economic mining concept, so as to form an obvious competitive advantage in terms of investment and cost control, successfully open the path for green and efficient development of resources, and establish global competitiveness in mining engineering.

Management Discussion and Analysis *(continued)*

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– ESG system for green, low carbon mining industry

Mining is essentially geotechnical engineering. Mining development can be highly synergistic with environmental protection and ecological development. In the face of new challenges such as global sustainable development and climate change, Zijin Mining will lay the foundation for green sustainable development, deeply integrate ESG concepts into the entire corporate development process, establish a highly adaptable ecological restoration and environmental protection plan for every project, and strive to promote the implementation of effective measures for “carbon neutral and carbon reduction” to help achieve global green sustainable development and “net zero” targets.

– Professional team and outstanding corporate culture with Zijin characteristic

The Company has a highly loyal and responsible team of professional management and technical personnel. Through years of practice, the Zijin spirit of “perseverance, entrepreneurship and innovation” has been developed, providing strong support to the Company’s leaping development. In the new era of globalisation, the Company’s corporate culture, with “common development” at its core, has created a strong cohesive force and common interests among the Company, its employees, collaborators and stakeholders, and has become an invisible driving force for the Company’s rapid development.

V. STATUS OF MAIN BUSINESSES DURING THE REPORTING PERIOD

(I) Analysis of major businesses

1. Table of analysis of changes in relevant items in statement of profit or loss and statement of cash flows

Unit: RMB

Item	Amount for the current period	Amount for the same period last year	Changes (%)
Operating income	270,328,998,459	225,102,488,592	20.09
Operating costs	227,784,282,577	190,351,121,555	19.67
Selling expenses	619,893,797	412,272,620	50.36
Administrative expenses	6,264,990,220	5,308,536,279	18.02
Finance expenses	1,904,994,525	1,496,475,674	27.30
Research and development expenses	1,231,551,616	770,661,326	59.80
Other income	484,638,917	350,771,492	38.16
Investment income	2,874,143,505	1,691,601,136	69.91
(Credit impairment losses)/Reversal of credit impairment losses	-329,409,918	578,093,599	Not applicable
Impairment losses on assets	-78,711,813	-598,022,432	-86.84
Losses on disposal of non-current assets	-5,217,763	-7,815,800	-33.24
Non-operating income	108,391,606	178,088,257	-39.14
Non-operating expenses	1,061,146,651	470,782,956	125.40
Net cash flows from operating activities	28,678,502,360	26,072,237,601	10.00
Net cash flows used in investing activities	-50,980,951,795	-23,764,951,478	114.52
Net cash flows from financing activities	27,257,976,781	23,320,387	116,784.75

Reason for the changes in operating income and operating costs: Please refer to the above analysis;

Reason for the changes in selling expenses, administrative expenses, finance expenses, research and development expenses, investment income, (credit impairment losses)/reversal of credit impairment losses and impairment losses on assets: Please refer to the analysis in “Expenses”;

Management Discussion and Analysis *(continued)*

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Reason for the changes in other income: Mainly due to the increase in government grants during the current year;

Reason for the changes in losses on disposal of non-current assets: Mainly due to the increase in gains on disposal of intangible assets during the current year compared with the same period last year;

Reason for the changes in non-operating income: Mainly due to the write-off of expenses which were not required to be paid in last year;

Reason for the changes in non-operating expenses: Mainly due to the increase in penalties during the year;

Reason for the changes in net cash flows from/(used in) operating activities, investing activities and financing activities: Please refer to the analysis in "Cash flows".

2. Operating results

The table below sets out the sales by product during January to December 2022 and 2021:

Item Product name	January- December 2022				January – December 2021				Increase/ Decrease in unit price
	Unit price (tax excluded)	Sales volume	Amount (RMB billion)		Unit price (tax excluded)	Sales volume	Amount (RMB billion)		
Mine-produced gold	368.60 RMB/g	60,821 kg	22.41853		348.69 RMB/g	45,662 kg	15.92174	5.71%	
Including: Gold bullion	385.71 RMB/g	27,326 kg	10.54000		371.10 RMB/g	26,507 kg	9.83693	3.94%	
Gold concentrate	354.64 RMB/g	33,495 kg	11.87853		317.66 RMB/g	19,155 kg	6.08481	11.64%	
Mine-produced copper	49,078 RMB/t	738,690 t	36.25370		53,583 RMB/t	528,686 t	28.32852	-8.41%	
Including: Copper concentrate (excluding Kamao)	47,527 RMB/t	617,691 t	29.35714		51,002 RMB/t	388,851 t	19.83203	-6.81%	
Electrodeposited copper	55,311 RMB/t	96,334 t	5.32834		60,327 RMB/t	81,491 t	4.91607	-8.31%	
Electrolytic copper	63,581 RMB/t	24,665 t	1.56822		61,368 RMB/t	58,344 t	3.58042	3.61%	
Mine-produced zinc	15,624 RMB/t	401,564 t	6.27409		14,136 RMB/t	399,261 t	5.64376	10.53%	
Mine-produced silver	3.05 RMB/g	403,391 kg	1.23144		3.43 RMB/g	305,763 kg	1.04899	-11.08%	
Iron ore (excluding non-subsidiaries of the Company)	667 RMB/t	1.8224 Mt	1.21537		822 RMB/t	3.3332 Mt	2.73865	-18.86%	
Refined and processed gold	389.55 RMB/g	258,198 kg	100.58028		368.00 RMB/g	271,873 kg	100.04834	5.86%	
Refined copper	59,460 RMB/t	691,837 t	41.13645		60,514 RMB/t	620,721 t	37.56232	-1.74%	
Refined zinc	22,278 RMB/t	318,488 t	7.09517		19,966 RMB/t	322,647 t	6.44205	11.58%	
Trading income			120.30795				84.54376		
Others			51.21053				42.23992		
Intercompany sales elimination			-117.39451				-99.41556		
Total			270.32900				225.10249		

Other sales income mainly included: RMB2.933 billion from refined silver, RMB825 million from copper pipe, RMB1.466 billion from copperplate, RMB458 million from lead concentrate, RMB1.158 billion from molybdenum concentrate, RMB531 million from cobalt concentrate, RMB4.201 billion from gold products etc., and RMB39.639 billion from other products, intermediate services and other services.

Except for the year-on-year drop in the price of mine-produced copper, the prices of the Group's other mineral products increased compared with the same period last year. The production and sales volumes of products except refined and processed gold increased compared with the same period last year.

Management Discussion and Analysis *(continued)*

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3. 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, ore transportation costs, procurement of mineral products and concentrates, raw material consumption, energy, salaries, depreciation of fixed assets, etc.

The table below sets out the details of the unit cost of sales and gross profit margin by product from January to December 2022 and 2021. (Note 1)

Item	Unit cost of sales				Gross profit margin (%)	
	2022	2021	Unit	Compared with the same period last year (%)	2022	2021
Product name	2022	2021	Unit	Compared with the same period last year (%)	2022	2021
Mine-produced gold	191.77	176.22	RMB/g	8.82	47.97	49.46
Including: Gold bullion	251.43	196.85	RMB/g	27.73	34.81	46.95
Gold concentrate	143.09	147.67	RMB/g	-3.10	59.65	53.51
Mine-produced copper	19,862	18,194	RMB/t	9.17	59.53	66.05
Including: Copper concentrate	18,852	16,789	RMB/t	12.29	60.33	67.08
Electrodeposited copper	23,847	18,517	RMB/t	28.79	56.89	69.31
Electrolytic copper	29,591	27,102	RMB/t	9.18	53.46	55.84
Mine-produced zinc	8,017	7,369	RMB/t	8.80	48.69	47.87
Mine-produced silver	1.63	1.57	RMB/g	4.22	46.47	54.30
Iron ore (excluding non-subsidiaries of the Company)	214.16	209.08	RMB/t	2.43	67.89	74.55
Refined and processed gold	387.40	367.55	RMB/g	5.4	0.55	0.12
Refined copper	57,748	58,841	RMB/t	-1.86	2.88	2.77
Refined zinc	21,171	19,076	RMB/t	10.98	4.97	4.46
Overall gross profit margin (Note 2)					15.74	15.44
Overall gross profit margin (excluding refining and processing enterprises)					54.29	58.98

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

Note 2: The Group's overall gross profit margin was 15.74%. The overall gross profit margin of mine-produced products (excluding refined and processed products) was 54.29%, representing a decrease of 4.69 percentage points compared with the same period last year, which was mainly due to the decrease in the mine-produced copper price.

Note 3: The reasons for the increase in costs include the drop in the Renminbi exchange rate.

Management Discussion and Analysis *(continued)*

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4. Analysis of sales and costs

The Company mainly engages in the production of mine-produced and refined products of gold, copper, lead and zinc and other metals, and generates income by selling these products.

Status of the main businesses by industry, product, region and sales model

Unit: RMB billion

Product	Status of the main businesses by product			Changes in operating income compared with last year (%)	Changes in operating costs compared with last year (%)	Changes in gross profit margin compared with last year (percentage point)
	Operating income	Operating costs	Gross profit margin (%)			
Mine-produced gold	22.41853	11.66364	47.97	40.80	44.95	Decreased by 1.49 percentage points
Mine-produced copper concentrate	29.35714	11.64471	60.33	48.03	78.36	Decreased by 6.75 percentage points
Mine-produced electrodeposited copper	5.32834	2.29726	56.89	8.39	52.24	Decreased by 12.42 percentage points
Mine-produced electrolytic copper	1.56822	0.72986	53.46	-56.2	-53.84	Decreased by 2.38 percentage points
Mine-produced zinc	6.27409	3.21947	48.69	11.17	9.43	Increased by 0.82 percentage point
Mine-produced silver	1.23144	0.65918	46.47	17.39	37.50	Decreased by 7.83 percentage points
Iron ore	1.21537	0.39028	67.89	-55.62	-44.00	Decreased by 6.66 percentage points
Refined, processed and trading gold	100.58028	100.02662	0.55	0.53	0.10	Increased by 0.43 percentage point
Refined copper	41.13645	39.95236	2.88	9.52	9.39	Increased by 0.11 percentage point
Refined zinc	7.09517	6.74277	4.97	10.14	9.55	Increased by 0.51 percentage point
Others	171.51848	164.47278				
Intercompany sales elimination	-117.39451	-114.01465				
Total	270.32900	227.78428	15.74	20.09	19.67	Increased by 0.30 percentage point

Management Discussion and Analysis *(continued)*

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

Region	Status of the main businesses by region			Changes in operating income compared with last year (%)	Changes in operating costs compared with last year (%)	Changes in gross profit margin compared with last year (percentage point)
	Operating income	Operating costs	Gross profit margin (%)			
Outside Mainland China	85.62250	64.88451	24.22	27.01	28.50	Decreased by 0.88 percentage point
Mainland China	302.10101	276.91442	8.34	17.50	17.09	Increased by 0.33 percentage point
Intercompany sales elimination	-117.39451	-114.01465				
Total	270.32900	227.78428	15.74	20.09	19.67	Increased by 0.30 percentage point

Explanations of status of the main businesses by industry, product and region

Approximately 75% of the Company's operating income was generated from customers in Mainland China, among which 29.51% was from the Shanghai Gold Exchange. Therefore, the Company was unable to sort customers in Mainland China by region.

Explanations of the main businesses by sales model

The Company's main products are gold, copper, zinc and other related products, among which: gold products mainly include gold concentrate and standard gold bullion; copper products mainly include copper concentrate, blister copper and copper cathode; zinc products mainly include zinc concentrate and electrolytic zinc.

The "ZIJIN" brand gold bullion is a registered delivery brand of the Shanghai Gold Exchange and Shanghai Futures Exchange. Zijin Mining Group Gold Smelting Co., Ltd. is a qualified gold deliverer of the London Bullion Market Association, and Zijin Copper is a qualified silver deliverer of the London Bullion Market Association.

The "ZIJIN" brand electrolytic copper and zinc bullion are registered brands of the Shanghai Futures Exchange and London Metal Exchange.

During the reporting period, the standard gold bullion sales business has established two sets of sales support systems for domestic and overseas sales. For domestic sales, it mainly involves direct sale to the Shanghai Gold Exchange under the Group's comprehensive membership qualification at the Shanghai Gold Exchange. For overseas sales, it mainly conducts sales in overseas gold markets through its wholly-owned subsidiary, Gold Mountains (H.K.), realising the overall management of trading channels and trading positions.

Sales of gold, copper, zinc concentrates, blister copper, copper cathode, zinc bullion and other products are mainly organised by Zijin International Trading or its subsidiaries to realise the integration of the Group's sales resources to obtain better sales benefits.

Management Discussion and Analysis *(continued)*

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Table of analysis of production and sales volumes

Major product	Unit	Production volume	Sales volume	Inventory volume	Changes in production volume	Changes in sales volume	Changes in inventory volume
					compared with last year (%)	compared with last year (%)	compared with last year (%)
Mine-produced gold (including interest in Zhaojin Mining)	kg	56,360	61,328	3,160	18.76	34.31	-60.85
Mine-produced copper (including Kamao on equity basis)	t	877,317	884,311	20,467	48.72	54.79	-25.47
Mine-produced zinc	t	402,321	401,564	5,539	1.48	0.58	15.85
Mine-produced silver	kg	387,458	403,391	11,737	25.47	31.93	-57.58
Iron ore (excluding non-subsidiaries of the Company)	Mt	2,4741	1,8224	0,6705	-25.92	-45.33	3,468.28
Refined, processed and trading gold	kg	258,550	258,791	375	-4.91	-5.03	-39.14
Refined copper	t	690,849	691,837	292	11.19	11.46	-77.19
Refined zinc	t	318,454	318,488	893	-1.24	-1.29	-3.67

Explanations of production and sales volumes

The production and sales volumes of mine-produced copper, mine-produced gold, mine-produced zinc and iron ore increased by different extents compared with the same period last year. It was mainly attributable to additional output and efficiency from newly acquired projects and the existing projects that had underwent technological upgrades and commenced production during the reporting period.

The year-on-year increase in inventory volume of iron ore was mainly attributable to the drop in production capacity of Xinjiang Jinbao's major customers.

Management Discussion and Analysis *(continued)*

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Table of cost analysis

Unit: RMB million

Product	Cost structure	Status by product				Changes in amount for the current period compared with the same period last year (%)	Explanations
		Amount for the current period	Proportion to total costs during the current period (%)	Amount for the same period last year	Proportion to total costs during the same period last year (%)		
Mine-produced gold	Raw materials	5,093.19	43.67	3,426.83	42.58	48.63	
	Salary	1,070.18	9.18	843.25	10.48	26.91	
	Depreciation	2,472.11	21.20	1,973.56	24.53	25.26	
	Energy consumption	1,314.65	11.27	795.48	9.89	65.26	
	Others	1,713.51	14.68	1,007.52	12.52	70.07	
Mine-produced silver	Raw materials	303.82	46.09	197.87	41.28	53.55	
	Salary	73.56	11.16	57.66	12.03	27.58	
	Depreciation	119.60	18.14	116.77	24.36	2.42	
	Energy consumption	80.97	12.28	52.01	10.85	55.68	
	Others	81.23	12.33	55.09	11.48	47.45	
Mine-produced copper	Raw materials	7,643.11	52.09	4,662.31	48.47	63.93	
	Salary	1,385.49	9.44	1,259.23	13.09	10.03	
	Depreciation	1,836.11	12.51	1,652.37	17.18	11.12	
	Energy consumption	2,178.96	14.85	1,102.86	11.47	97.57	
	Others	1,628.16	11.11	941.89	9.80	72.86	
Mine-produced zinc	Raw materials	1,453.82	45.16	1,174.84	39.93	23.75	
	Salary	755.13	23.46	245.33	8.34	207.80	
	Depreciation	462.83	14.38	835.94	28.41	-44.63	
	Energy consumption	218.82	6.80	343.04	11.66	-36.21	
	Others	328.87	10.20	342.97	11.66	-4.11	
Iron ore	Raw materials	146.58	37.56	180.09	25.84	-18.61	
	Salary	55.30	14.17	64.30	9.23	-14.00	
	Depreciation	41.47	10.62	83.07	11.92	-50.08	
	Energy consumption	31.67	8.12	40.53	5.82	-21.86	
	Others	115.26	29.53	328.91	47.21	-64.96	
Refined copper	Raw materials	38,321.28	95.92	35,258.11	96.53	8.69	
	Salary	296.73	0.74	209.40	0.57	41.70	
	Depreciation	368.56	0.92	396.12	1.08	-6.96	
	Energy consumption	613.11	1.53	381.93	1.05	60.53	
	Others	352.68	0.89	278.14	0.76	26.80	
Refined zinc	Raw materials	5,491.34	81.44	5,161.02	83.85	6.40	
	Salary	317.84	4.71	248.19	4.03	28.06	
	Depreciation	264.63	3.92	192.85	3.13	37.22	
	Energy consumption	545.86	8.10	499.09	8.11	9.37	
	Others	123.10	1.83	53.75	0.86	129.02	

Management Discussion and Analysis *(continued)*

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Other explanations of cost analysis

- 1) In the cost structure, raw materials included the costs of purchasing raw and auxiliary materials and outsourcing, and energy consumption mainly included coal, electricity and petrol.
- 2) The Group's mining enterprises mostly adopted outsourcing of work. Such outsourcing costs were included in raw materials.

Information on major customers and suppliers

A. Information on major customers of the Company

The sales income from the top five customers amounted to RMB117.86814 billion, representing 43.60% of the total sales income of the year, in which the sales income from connected persons among the top five customers was RMB0, representing 0% of the total sales income of the year. The sales income from the largest customer represented 29.51% of the total sales income of the year. The top five customers were mainly the Shanghai Gold Exchange and the copper and zinc refining and processing enterprises in the downstream industries. Due to the characteristics of the industry, there was no market sales risk of relying on a small number of customers.

B. Information on major suppliers of the Company

The procurement amount from the top five suppliers amounted to RMB63.57117 billion, representing 27.91% of the total procurement amount of the year; in which the procurement amount from connected persons among the top five suppliers was RMB0, representing 0% of the total procurement amount of the year. The procurement amount of the largest supplier represented 13.34% of the total procurement amount of the year. In addition to purchasing raw materials from the mines of the Group, the refining and processing enterprises of the Group purchase raw materials from the Shanghai Gold Exchange and other mineral product manufacturing and trading enterprises. Due to the characteristics of the industry, there was no market risk of relying on a small number of suppliers.

Other information

The Group's major customers included Shanghai Gold Exchange and Xiamen ITG Group Corp., Ltd.; the Group's major suppliers included Shanghai Gold Exchange and Xiamen Haitou Supply Chain Service Co., Ltd.

Management Discussion and Analysis *(continued)*

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5. Expenses

Selling expenses

During the reporting period, the Group's selling expenses amounted to RMB619.89 million, representing an increase of 50.36% compared with the same period last year (same period last year: RMB412.27 million). It was mainly due to the increase in the number of enterprises consolidated.

Administrative expenses (including research and development expenses)

During the reporting period, the Group's administrative expenses amounted to RMB7.49654 billion, representing an increase of 23.31% compared with the same period last year (same period last year: RMB6.0792 billion). It was mainly due to the increase in the number of enterprises consolidated and the enterprises with construction completion and production commencement this year.

Finance expenses

During the reporting period, the Group's finance expenses amounted to RMB1.90499 billion, representing an increase of 27.30% compared with the same period last year (same period last year: RMB1.49648 billion). It was mainly due to the increase in financing scale.

Impairment losses on assets/Credit impairment losses

During the reporting period, the Group provided total net impairment losses on assets/credit impairment losses of RMB408.12 million (same period last year: net provision of RMB19.93 million). The details of the provision for impairment losses in 2022 are as follows: net provision for credit impairment losses of RMB329.41 million, impairment losses on prepayments of RMB7.43 million, reversal of provision for decline in value of inventories of RMB19.10 million, impairment losses on goodwill of RMB71.10 million, impairment losses on contract assets of RMB10.75 million, impairment losses on fixed assets of RMB8.45 million and impairment losses on other non-current assets of RMB80 thousand.

Investment income

During the reporting period, the investment income of the Group was RMB2.87414 billion, representing an increase of RMB1.18254 billion compared with the same period last year (same period last year: RMB1.6916 billion). It was mainly due to the increase in investment income from associates and joint ventures during the reporting period compared with the same period last year.

Losses on changes in fair value

During the reporting period, the losses on changes in fair value amounted to RMB255.49 million (same period last year: losses of RMB231.86 million).

Management Discussion and Analysis *(continued)*

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6. Research and development expenditure

Table of research and development expenditure

Unit: RMB

Expensed research and development expenditure of the reporting period	1,231,551,616
Capitalised research and development expenditure of the reporting period	52,058,304
Total research and development expenditure	1,283,609,920
Percentage of total research and development expenditure to operating income (%)	0.47
Percentage of capitalised research and development expenditure (%)	4.06

Information table on staff engaged in research and development

Number of staff engaged in research and development of the Company	4,951
Number of staff engaged in research and development to total number of staff of the Company (%)	10.14

Education level of staff engaged in research and development

Education level	Number of staff
Doctoral degree	95
Master's degree	828
Bachelor's degree	2,250
Vocational education	995
High school or below	783

Age structure of staff engaged in research and development

Age structure	Number of staff
Below 30 (excluding 30)	1,275
30-40 (including 30, excluding 40)	2,218
40-50 (including 40, excluding 50)	943
50-60 (including 50, excluding 60)	484
60 and above	31

Explanation

Zijin is developed by leveraging technology. It has formed self-initiated, whole-process system research, design and implementation capacities with competitive advantages. The Company possesses a range of scientific research and informationalised platforms with professional technology qualifications. A total of 16 units of the Company have obtained or retained the qualification of national High and New Technology Enterprise (including the parent company of the Group). The Company further promotes the introduction and nurture of global outstanding talents, high-end technical talents and youth talents, covering various professions including geology, mining, processing, metallurgy, environmental protection, design and information. The core technical team of the Company remains generally stable. During the reporting period, the Company continued to promote the introduction and nurture of talents in the fields of new energy and advanced materials. There were no changes in personnel which may substantially affect the Company's core competitiveness. The Company continuously increases the funds for scientific research. During the reporting period, research and development expenditures of the parent was RMB321 million, accounting for about 5.17% of the sales revenue of the parent company for the year.

Management Discussion and Analysis *(continued)*

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

Major scientific research and informationalised platforms	
<p>The only State Key Laboratory of Comprehensive Utilisation of Low-grade Refractory Gold Ores in domestic gold industry Enterprise Technology Centre accredited by the state Workstation for academicians Workstation for post-doctoral's research Zijin Mining Institute of Geology and Mineral Exploration Sino-Zijin Resources Ltd. Zijin Mining and Metallurgy Research Institute Xiamen Zijin Mining and Metallurgy Technology Co., Ltd. Fujian Zijin Mining and Metallurgy Testing Technology Co., Ltd. Zijin (Changsha) Engineering Technology Co., Ltd. Zijin (Xiamen) Engineering Co., Ltd. Zijin Research Institute of Renewable Energy and Advanced Materials Xiamen Zijin Renewable Energy and Advanced Materials Technology Co., Ltd. IT R&D Center of Zijin Mining Group Co., Ltd.* Zijin Zhixin (Xiamen) Technology Co., Ltd. Zijin Zhikong (Xiamen) Technology Co., Ltd.</p>	
Progress of major scientific research and development projects	
<p>During the reporting period, the Company carried out 178 newly established scientific research and development projects of various kinds in total</p>	
Key state-level research and development project	Green Mining Technologies for Large-scale Mines at Cold and Ecologically Vulnerable Areas
State-level science and technology project	Green Exploration and Development Demonstration at Julong Copper Polymetallic Resource Base Porphyry Copper and Gold Complex Comprehensive Exploration Technology and Reserve Increment Demonstration Key Technology and Demonstration of High-efficiency Bioheap Leaching of Low-grade Copper Sulphide Ore
Provincial-level scientific research project	Basic Research on Evaporation Reduction Technique for High-silicon, Low-Iron Zinc Leaching Residue Development and Industrial Application of Highly-efficient Ion-sieve Adsorbent for Lithium Extraction from Brine (State Key Laboratory of Comprehensive Utilisation of Low-grade Refractory Gold Ores)
Scientific research project set up by the Group	Comprehensive Exploration Prediction of Mines On-site Hydraulic Fracturing Testing of Natural Caving Method at the Tongshan Mine Processing Technique Development and Establishment of Research Method of Process Mineralogy for Advanced Materials and Strategic Metals including Lithium, Beryllium, Tantalum and Niobium Key Technique Research on Green Metallurgy of Complicated Copper and Molybdenum Concentrates and Highly-efficient Utilisation of Associated Gold, Silver and Rhenium Equipment Technology and Industrial Application of a Phosphate Anode Materials (Lithium Manganese Iron Phosphate) Research on Manufacturing and Application of High-performance Recycled Battery Materials Intelligentised Technology for Underground New Energy Scrapers, etc.

Management Discussion and Analysis *(continued)*

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Progress of major informationalised projects

During the reporting period, the Company promoted digitalised and informationalised development in a steady manner in order to promote safe, highly-efficient, economical and green intellectualised mines and plants

- Shanxi Zijin has developed as a benchmark for automation and intellectualisation of domestic gold mines
- Safe and highly-efficient operation of the green and intellectualised plants of Zijin Copper and Heilongjiang Zijin Copper
- Unmanned driving pilot demonstration of the state-level “Plateau Intellectualised Mine” model construction of Julong Copper obtained favourable progress
- Construction of Guizhou Zijin’s underground intellectualised mining project was carried out in an orderly manner
- Unmanned driving of underground intellectualised scrapers of the Zijinshan Copper and Gold Mine achieved multi-equipment joint operation
- Zijin three-dimensional geological system was installed and promoted at more than 20 overseas exploration projects
- Finance and Business Integration achieved positive results in production, operation and management, control as well as visualisation
- Self-initiated and innovative all-staff safety platform raised the safety level and efficiency of globalised operation and management
- International intellectualised operation and maintenance platform, big data platform, safety and emergency coordination centre, off-site/remote support and service centre, Zijin Ark and other fundamental service platforms were completed and put into operation
- Informationalised systems for safety, human resources, finance, logistics, trading, exploration and construction were promoted and applied more intensively in the overseas enterprises
- All-staff safety digitalised management and control platform was promoted in the market

Major patents and awards regarding scientific research and informationalised projects

The Company has 187 scientific research achievements with independent intellectual property rights, 99 scientific and technological awards at provincial level or above, and 127 invention patents. During the reporting period, the Company carried out 178 new scientific research projects, including 4 new state-level and 2 new provincial-level science and technology projects, respectively. The Company obtained 7 science and technology awards at the provincial level, applied 44 patents, obtained 14 authorised invention patents and was granted 15 utility model patents; presided over or participated in the completion of 23 standard revisions, including 1 national standard, 19 industry standards and 3 group standards; conducted 10 transformations of major scientific and technological achievements, the scientific achievements of which contributed more than RMB268 million to production benefits. The Company also organised 5 scientific research achievements to China Nonferrous Metals Industry Association to carry out achievement evaluation, among which 2 projects were evaluated as international leading level, 2 projects were evaluated as international advanced level and 1 project was evaluated as national advanced level.

Duobaoshan Copper Industry was granted the title Heilongjiang Province Intellectual Mine. Heilongjiang Zijin Copper was included in the Heilongjiang Province Intellectual Plant Publicity List for the Year 2022 of the Provincial Department of Industry and Information Technology. Julong Copper in Tibet was listed as a state intellectual mine development standardised pilot unit. Zijin Zinc Co., Ltd. received the title of professional, specialised, special and new “little giant” enterprise and the Company was named as “Industrial Internet Enterprise Web Safety Classification and Stratification Management Outstanding Pilot Enterprise” from the Ministry of Industry and Information Technology. The Company’s headquarters and the Zijinshan Copper and Gold Mine were recommended as the State Industrial Field Data Safety Pilot Unit.

Management Discussion and Analysis *(continued)*

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7. Cash flows

As at 31 December 2022, the Group's cash and cash equivalents amounted to RMB19.667 billion, representing an increase of RMB6.035 billion or 44.28% compared with the same period last year.

During the reporting period, the net cash inflows generated from the Group's operating activities amounted to RMB28.679 billion, representing an increase in inflows of RMB2.606 billion compared with the same period last year, among which, the cash inflows generated from operating activities was RMB283.455 billion, representing an increase of RMB46.448 billion compared with the same period last year; cash outflows from operating activities was RMB254.777 billion, representing an increase of RMB43.842 billion compared with the same period last year. The increase in net cash flows from operating activities was mainly attributable to the increase in gross profit due to the increase in production volume of major mineral products.

During the reporting period, net cash outflows used in the Group's investing activities amounted to RMB50.981 billion, representing an increase in outflows of RMB27.216 billion compared with the same period last year. The main investment expenditures in 2022 included: (1) RMB24.794 billion of cash payment for purchase and construction of fixed assets, intangible assets and other long-term assets; (2) RMB19.716 billion of cash payment for investments; and (3) cash payment for acquisition of subsidiaries and other business units amounted to RMB12.027 billion.

During the reporting period, the Group's net cash flows generated from financing activities amounted to RMB27.258 billion, while the net cash flows generated from financing activities during the same period last year was RMB23 million. It was mainly due to significant increase in financing scale compared with the same period last year.

As at 31 December 2022, the Group's total borrowings amounted to RMB125.5 billion (31 December 2021: RMB77.0 billion). Among which, the amount repayable within one year was approximately RMB30.8 billion, the amount repayable within one to two years was approximately RMB25.9 billion, the amount repayable within two to five years was approximately RMB50.6 billion, and the amount repayable in more than five years was approximately RMB18.2 billion. The interest rates of all the abovementioned borrowings ranged from 0.55% to 8.45% 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 with no use restriction of approximately RMB257.0 billion provided by banks.

As at 31 December 2022, the Group's total amount of monetary assets denominated in foreign currencies was equivalent to RMB23.892 billion in total, representing an increase of RMB2.134 billion compared with the same period last year; the total amount of monetary liabilities denominated in foreign currencies was equivalent to RMB44.298 billion, representing an increase of RMB9.718 billion compared with the same period last year.

The Company's strong ability to obtain cash from operations can help the Company maintain a strong solvency, sufficient external lines of credit and a variety of smooth financing channels, providing strong support for the improvement of the Company's overall solvency. From 2021 to 2022, the Company turned from a net current liabilities of RMB3.2 billion to a net current assets of RMB8.5 billion, its current ratio increased from 93.56% to 111.91%, the quick ratio increased from 55.18% to 72.42%. At the same time, because the Company's inventories are mainly precious metals or non-ferrous metals such as gold and copper which have a good short-term liquidity, the Company's substantive quick ratio (about 90%) is much higher than the financial statement ratio.

Management Discussion and Analysis *(continued)*

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The Company is a headquarter-level key customer of many large state-owned banks, policy banks and joint-stock banks with a total of over RMB250 billion comprehensive bank credit. With sufficient and good credit, the Company has smooth financing channels in domestic and overseas capital markets. The Company has registered RMB10 billion shelf corporate bonds on the exchange, and has registered DFI financing products in the inter-bank market. At the same time, the Company uses various financing tools including direct and indirect financing, such as long-term and short-term corporate bonds, trade financing, working capital loans, project loans, M&A loans, gold lease financing, domestic and overseas syndicated loans, etc., together with appropriate mix of periodic structure and varieties to control the costs and risks. From 2021 to 2022, the proportion of the Company's interest-bearing short-term liabilities dropped from 29.7% to 24.2%.

Gearing ratio

Gearing ratio is defined as the ratio of consolidated total liabilities to consolidated total equity. As at 31 December 2022, the Group's consolidated total liabilities was RMB181,588,693,965 (31 December 2021: RMB115,697,507,579), and the Group's consolidated total equity was RMB124,455,445,505 (31 December 2021: RMB92,897,170,544). As at 31 December 2022, the Group's gearing ratio was 1.459 (31 December 2021: 1.245).

Key quarterly financial data for the year 2022

Unit: RMB

	First quarter (Jan-Mar)	Second quarter (Apr-Jun)	Third quarter (Jul-Sep)	Fourth quarter (Oct-Dec)
Operating income	64,770,745,546	67,686,782,585	71,733,616,578	66,137,853,750
Profit before tax	8,910,988,313	9,658,855,668	6,306,864,011	5,116,142,981
Net profit	7,415,265,303	8,015,161,533	5,257,481,902	4,079,301,385
Net profit attributable to owners of the listed company	6,123,805,269	6,506,227,828	4,037,091,451	3,374,921,429
Net profit attributable to owners of the listed company after non-recurring profit or loss	6,042,914,344	5,981,304,306	3,898,858,853	3,607,993,414
Net cash flows from operating activities	7,427,862,528	8,147,906,997	6,372,678,036	6,730,054,799

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 in 2022	Amount in 2021
Losses on disposal of non-current assets	-174,920,311	-119,558,603
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	484,638,917	354,291,492
Capital utilisation fee received from non-financial enterprises recognised in profit or loss for the current period	1,210,956,892	687,511,134
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 and 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	-359,246,268	-59,836,500
Non-operating income and expenses other than the aforesaid items	-783,052,498	-180,951,896
Other profit or loss items which meet the definition of non-recurring profit or loss	34,864,096	585,319,905
Less: Impact on income tax	5,847,317	23,933,491
Impact on the non-controlling interests (after tax)	-103,581,549	250,505,633
Total	510,975,060	992,336,408

Items measured at fair value

Unit: RMB

Item	Balance at the beginning of the reporting period	Balance at the end of the reporting period	Changes during the current period	Impact on the profit for the current period
Held for trading financial assets (excluding derivative financial assets)	2,782,580,338	5,047,015,093	2,264,434,755	187,650,747
Derivative financial assets	152,644,244	46,793,246	-105,850,998	104,095,473
Held for trading financial liabilities (excluding derivative financial liabilities)	–	–	–	-37,143,362
Derivative financial liabilities	-156,812,356	-540,503,475	-383,691,119	-1,434,644,230
Total	2,778,412,226	4,553,304,864	1,774,892,638	-1,180,041,372

Management Discussion and Analysis *(continued)*

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

Analysis of assets and liabilities

1. Status on assets and liabilities

Unit: RMB

Item	Amount at the end of 2022	Proportion to total assets as at the end of 2022 (%)	Amount at the end of 2021	Proportion to total assets as at the end of 2021 (%)	Percentage change in the amount at the end of 2022 compared with the amount at the end of 2021 (%)	Explanation
Cash and cash equivalents	20,243,737,052	6.61	14,221,780,252	6.82	42.34	Mainly due to the increase in enterprise scale
Held for trading financial assets	5,093,808,339	1.66	2,935,224,582	1.41	73.54	Mainly due to the increase in equity instrument investments
Bills receivable	729,421,153	0.24	-	-	Not applicable	Mainly due to the consolidation of the financial statements of Longking
Trade receivables	7,916,964,606	2.5	2,445,223,101	1.17	223.77	Mainly due to the consolidation of the financial statements of Longking and the increase in operating income which increased trade receivables correspondingly
Receivables financing	2,991,548,914	0.98	1,958,255,180	0.94	52.77	Mainly due to the consolidation of the financial statements of Longking
Prepayments	3,795,206,862	1.24	1,782,420,666	0.85	112.92	Mainly due to the consolidation of the financial statements of Longking and the increase in prepayments for raw material procurement
Other receivables	3,656,110,491	1.19	1,385,716,898	0.66	163.84	Mainly due to the consolidation of the financial statements of Longking
Inventories	28,103,963,625	9.18	19,308,800,678	9.26	45.55	Mainly due to the consolidation of the financial statements of Longking and the substantial increase in the production scale
Contract assets	1,227,197,810	0.40	-	-	Not applicable	Mainly due to the consolidation of the financial statements of Longking

Management Discussion and Analysis *(continued)*

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Item	Amount at the end of 2022	Proportion to total assets as at the end of 2022 (%)	Amount at the end of 2021	Proportion to total assets as at the end of 2021 (%)	Percentage change in the amount at the end of 2022 compared with the amount at the end of 2021 (%)	Explanation
Current portion of non-current assets	693,448,118	0.23	8,923,967	–	7,670.63	Mainly due to the increase in large-denomination certificates of deposit due within one year
Other current assets	5,193,052,562	1.70	3,017,948,117	1.45	72.07	Mainly due to the increase in cash deposited in futures accounts
Debt investments	321,929,780	0.11	468,136,162	0.22	(31.23)	Mainly due to the reclassification of large-denomination certificates of deposit due within one year
Long-term equity investments	25,066,936,465	8.19	9,628,231,895	4.62	160.35	Mainly due to the increase in investment in equity interests
Other non-current financial assets	–	0.00	62,500,000	0.03	Not applicable	Mainly due to the reclassification of trust protection fund due within one year
Investment properties	448,776,949	0.15	117,472,940	0.06	282.03	Mainly due to the consolidation of the financial statements of Longking
Fixed assets	72,746,422,792	23.77	55,597,154,905	26.65	30.85	Mainly due to the increase in the transfer of construction in progress to fixed assets during the reporting period
Right-of-use assets	332,279,217	0.11	217,034,588	0.10	53.10	Mainly due to the consolidation of the financial statements of Longking
Intangible assets	68,279,910,055	22.31	47,531,349,824	22.79	43.65	Mainly due to the newly included enterprises in the scope of consolidation
Goodwill	717,723,949	0.23	314,149,588	0.15	128.47	Mainly due to the acquisition of Longking project
Other non-current assets	22,365,835,375	7.31	16,580,496,264	7.95	34.89	Mainly due to the increase in prepaid investments
Held for trading financial liabilities	540,503,475	0.18	156,812,356	0.08	244.68	Mainly due to the increase in hedging investments and foreign currency forward contracts

Management Discussion and Analysis *(continued)*

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Item	Amount at the end of 2022	Proportion to total assets as at the end of 2022 (%)	Amount at the end of 2021	Proportion to total assets as at the end of 2021 (%)	Percentage change in the amount at the end of 2022 compared with the amount at the end of 2021 (%)	Explanation
Bills payable	1,735,484,847	0.57	394,380,588	0.19	340.05	Mainly due to the increase in using bills to settle procurement of goods
Trade payables	11,757,464,637	3.84	7,442,318,423	3.57	57.98	Mainly due to the consolidation of the financial statements of Longking
Advances from customers	88,648,941	0.03	–	–	Not applicable	Mainly due to the consolidation of the financial statements of Longking
Contract liabilities	7,412,075,704	2.42	671,955,151	0.32	1,003.06	Mainly due to the consolidation of the financial statements of Longking
Employee benefits payable	2,251,480,559	0.74	1,604,671,386	0.77	40.31	Mainly due to the provision of year-end bonus
Other current liabilities	3,080,302,719	1.01	678,088,310	0.33	354.26	Mainly due to the increase in ultra short-term financing bonds
Long-term borrowings	68,819,578,332	22.49	36,126,816,893	17.32	90.49	Mainly due to the increase in long-term financing scale
Bonds payable	23,870,516,058	7.80	14,247,474,590	6.83	67.54	Mainly due to the increase in mid-term notes and corporate bonds
Long-term payables	3,272,675,848	1.07	2,359,167,215	1.13	38.72	Mainly due to the increase in considerations for mining rights and consolidation of the financial statements of Longking
Deferred income	700,660,386	0.23	397,491,581	0.19	76.27	Mainly due to the consolidation of the financial statements of Longking
Other comprehensive income	5,061,350,431	1.65	2,209,428,323	1.06	129.08	Mainly due to the increase in exchange differences arising from translation of financial statements denominated in foreign currencies
Special reserve	60,634,043	0.02	113,281,545	0.05	(46.47)	Mainly due to the increase in the use of work safety fund

Management Discussion and Analysis *(continued)*

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2. Information on overseas assets

(1) Scale of assets

Among which, overseas assets amounted to RMB98.160 billion, representing 32.07% of the total assets.

(2) Relevant explanations of the overseas assets with a relatively high proportion

Unit: RMB billion

Name of overseas asset	Source of formation	Operation mode	Operating income for the reporting period	Net profit for the reporting period
Jilau, Taror Gold Mines	Acquisition	Self-operated	4.66144	1.75608
Paddington Operations	Acquisition	Self-operated	2.04358	0.08691
Taldybulak Levoberezhny Gold Mine	Acquisition	Self-operated	1.54078	0.46938
Porgera Gold Mine	Acquisition	Jointly operated	-0.00022	-0.34814
Kolwezi Copper Mine	Acquisition	Self-operated	7.00784	1.80172
Bor Copper Mine	Acquisition	Self-operated	7.07800	1.89151
Čukaru Peki Copper and Gold Mine	Acquisition	Self-operated	6.79349	4.50131
Bisha Copper and Zinc Mine	Acquisition	Self-operated	3.24438	0.68591
Tuva Zinc and Polymetallic Mine	Acquisition	Self-operated	1.75867	0.45257

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 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 six financial institutions (including the Bank of China Tibet Branch, Bank of Tibet Sales Department, Industrial Bank Lhasa Branch, Industrial and Commercial Bank of China Tibet Branch, Agricultural Bank of China Tibet Branch, China Construction Bank Tibet Branch) in place of the pre-acquisition secured syndicated loan obtained in 2017. The term of the loan is 12 years. As at 31 December 2022, the outstanding balance of the abovementioned secured loan was RMB10.268 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) In 2020, 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 amounting to USD568 million from China CITIC Bank Fuzhou Branch, China Minsheng Bank Fuzhou Branch, Bank of China Hungarian Branch and China Merchants Bank Hong Kong Branch. The term of the loan is 6 years. As at 31 December 2022, the outstanding balance of the abovementioned pledged loan was RMB3.56 billion. The major asset of Zijin America is the Buritica Gold Mine in Colombia.

Management Discussion and Analysis *(continued)*

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Analysis of operational information on the industry

Mineral resources are the important material foundation for the economic and social development. Exploration and development of mineral resources are related to the national economy, livelihood of the people and national safety. The National Security Strategy (2021-2025) listed mineral products together with energy and food on the list of national safety for the first time. The Report to the 20th National Congress stressed to “ensure the security of food, energy and resources as well as key industrial and supply chains”. The 2023 National Government Work Report further required to “strengthen the domestic exploration, development, reserve and production increment of key energy and mineral resources”. The targets of “30/60 Double Carbon” of China are implementing continuously. Revolution of and transition to the clean energy industry characterised with green and low-carbon arrives at a faster pace. The mining industry is gradually facing a period of new opportunities.

During the reporting period, formulation of the systems regarding reform of mineral resources management and green development of the mining industry was continuously carried out. A batch of laws, regulations and policies relating to mineral resources were promulgated and enacted, which brought new opportunities and challenges to the quality development of the mining industry in the new era.

– On 18 November 2022, the Ministry of Natural Resources of the PRC issued the Notice on Safeguarding Land for Mining (Zi Ran Zi Fa [2022] No. 202), which requires to secure the reasonable land demand for mining in a differentiation manner and coordinate and plan the land use scale and layout in order to secure the normal land supply for mining purpose in various regions, and secure the national safety of energy and mineral resources.

– On 3 January 2023, the Ministry of Natural Resources of the PRC issued the Regulations on Mineral Right Transfer Transactions, which further standardises the transfer transactions of mineral rights, strengthens the development of mineral right market, ensures the transfer transactions of mineral rights to be open, fair and just, improves the efficiency and effectiveness of transfer transactions of mineral rights continuously, protects the national rights and the lawful rights of the mineral right holders, in order to provide regulatory support to secure the national safety of energy and mineral resources.

– On 3 February 2023, the Offices of Ministry of Natural Resources and Ministry of Finance of the PRC issued the Notice in relation to the Issues of Transfers of Mineral Rights with Compensation (Zi Ran Zi Ban Han [2023] No. 223). The corresponding relationship of the consideration already paid and the resource volume in the transfers of mineral rights with compensation is clarified.

– On 27 October 2022, the Ministry of Ecology and Environment of the PRC issued China’s Policies and Actions for Addressing Climate Change (2022), which includes 5 issues: new arrangements on combating climate change, mitigating climate change, adapting to climate change, improving policy systems and support and actively getting involved in global governance in response to climate change.

– On 10 November 2022, the Ministry of Industry and Information Technology and the National Reform and Commission of the PRC issued the Implementation Plan for Carbon Peaking of the Non-ferrous Metal Industry, which proposed that before 2025, the industry structure and energy consumption structure of the non-ferrous metal industry shall be significantly optimised, important improvement progress shall be made for the research, development and application of low-carbon techniques, the energy consumption and carbon emission intensity per unit of production of key types of minerals shall be further reduced, and the proportion of recycled metal supply shall reach above 24%. By 2030, the energy structure of the non-ferrous metal industry shall be substantially improved, the proportion of renewable energy used for electrolytic aluminium shall reach above 30%, and it shall be ensured that the non-ferrous metal industry shall achieve carbon peak before 2030.

Management Discussion and Analysis *(continued)*

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– On 11 April 2022, the Ministry of Ecology and Environment of the PRC issued the Administrative Measures on Prevention and Control of Environmental Pollution Caused by Tailings, which amends the definition of tailings, and specifically states that tailings refer to the solid waste generated by ores mined by metal and non-metal mines, the valuable concentrates of which have been extracted at processing plant; the provisions are not applicable to radioactive tailings.

– On 16 August 2022, the Ministry of Natural Resources, the Ministry of Ecology and Environment and the National Forestry and Grassland Administration of the PRC issued the Notice on Strengthening the Management of Ecological Conservation Red Lines (Trial) (Zi Ran Zi Fa [2022] No. 142), which clarifies the specific types of geological survey, exploration and mining of mineral resources which can be carried out inside the redlines of ecological conservation but outside the core conservation areas of nature conservation areas.

Analysis of operating information on non-ferrous metal industry

1. Costs of ore raw materials

Unit: RMB billion

Type and source of ore raw materials	Total cost of raw materials	Proportion (%)	Change in total costs of raw materials compared with the same period last year (%)
Self-owned mines	14.32555	26.67	-2.80
Domestic procurement	16.34325	30.43	9.57
Overseas procurement	23.04000	42.90	37.97
Total	53.70879	100.00	15.87

2. Basic information on self-owned mines (if any)

Please refer to the section “Operations” in this report.

Management Discussion and Analysis *(continued)*

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Analysis of investments

Overall analysis of external equity investments

1. Key equity investments

Unit: RMB billion

Name of the investee	Major business	Is the investment target principally engaged in investment business	Way of investment	Amount of investment	Shareholding proportion	Consolidation in the financial statements	Account in the financial statements (if applicable)	Source of funds	Partner (if applicable)	Duration of investment (if any)	Progress as at the end of the reporting period	Expected return (if any)	Impact of profit or loss for the period	Involved in lawsuit	Date of disclosure (if any)	Index for details (if any)
Zhejiang Jishi Mining Co., Ltd.	Mining technology development, investment in the mining industry, etc.	No	Acquisition	4.9	100%	Yes	Long-term equity investments – cost method – subsidiaries	Equity fund	-	-	Completed	-	-0.012	No	29 April 2022	Announcement in relation to the Acquisition of an Asset Bundle Consisting of Four Assets including the Lakkor Tso Salt Lake Lithium Mine in Tibet Held by DunAn Group
Fujian Longking Co., Ltd.	Manufacture of special equipment for environmental protection; air pollution control; water pollution control; energy saving engineering, etc.	No	Acquisition	1.734	15.02%	Yes	Long-term equity investments – cost method – subsidiaries	Equity fund	-	-	Completed	-	0.087	No	8 May 2022	Disclosable Transaction Announcement in relation to the Acquisition of the Controlling Power in Fujian Longking Co., Ltd.
Hunan Houdao Mining Co., Ltd.	Sales and services of mining equipment; sales of mineral products; mine construction, investment and consultation	No	Acquisition	1.8	71.14%	Yes	Long-term equity investments – cost method – subsidiaries	Equity fund	-	-	Completed	-	-0.005	No	29 June 2022	Announcement in relation to the Acquisition of the Xiangquan Lithium Polymetallic Mine in Dao County, Hunan Province
Weifu Mining Co., Ltd.	Processing, sale (limited to own production), import and export of copper, iron, lead, zinc and aluminium mineral products, etc.	No	Acquisition	0.461	100%	Yes	Long-term equity investments – cost method – subsidiaries	Equity fund	-	-	Completed	-	-0.004	No	14 July 2022	Announcement in relation to the Acquisition of the Sawajia erdun Gold Mine in Wuqia County, Xinjiang

Management Discussion and Analysis *(continued)*

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Name of the investee	Major business	Is the investment target principally engaged in investment business	Way of investment	Amount of investment	Shareholding proportion	Consolidation in the financial statements	Account in the financial statements (if applicable) of funds	Partner (if applicable)	Duration of investment (if any)	Progress as at the end of the reporting period	Expected return (if any)	Impact of profit or loss for the period	Involved in lawsuit	Date of disclosure (if any)	Index for details (if any)
Shandong Ruijin Mining Industry Development Company Limited	Wholesale and retail of metal materials, iron ore and iron ore powder, research and development of mineral product technology	No	Acquisition	3.985	30%	No	Long-term equity investments – fund and equity method proceeds – associates raised	-	-	Completed	-	-0.009	No	12 October 2022	Announcement in relation to the Acquisition of 30% Interest in the Haiyu Gold Mine in Shandong
Rosebel Gold Mines N.V.	Exploration, mining, processing and sales of gold and other minerals	No	Acquisition	2.559	95% class A shares and 100% class B shares	Yes	Long-term equity investments – fund and cost method – proceeds subsidiaries raised	-	-	Completed	-	0.000	No	18 October 2022	Announcement in relation to the Acquisition of the Rosebel Gold Mine Project in Suriname
Anhui Jirsha Molybdenum Co., Ltd.	Under preparation for construction (exploration, mining, milling, processing and sales of molybdenum ore)	No	Acquisition	5.91	84%	Yes	Long-term equity investments – fund and cost method – proceeds subsidiaries raised	-	-	Incompleted	-	0.000	No	21 October 2022	Announcement in relation to the Acquisition of the Shapinggou Molybdenum Mine in Anhui
Zhaojin Mining Industry Company Limited	Gold exploration, ore processing, granite process (metallurgy), sale of processed by-products, etc.	No	Acquisition	4.063	20%	No	Long-term equity investments – equity method – associates	-	-	Completed	-	0.023	No	6 November 2022	Announcement in relation to the Acquisition of 20% Equity Interest in Zhaojin Mining
Anhui Jiangnan Chemical Industry Co., Ltd.	Research and development, production, sale, etc. of civil blasting equipment	No	Acquisition	3.04	21.81%	No	Long-term equity investments – equity method – associates	-	-	Completed	-	0.034	No	29 April 2022	Announcement in relation to the Acquisition of an Asset Bundle Consisting of Four Assets Including the Lakkor Tso Salt Lake Lithium Mine in Tibet Held by DunAn Group

Management Discussion and Analysis *(continued)*

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Name of the investee	Major business	Is the investment target principally engaged in investment business	Way of investment	Amount of investment	Shareholding proportion	Consolidation in the financial statements	Account in the financial statements (if applicable)	Source of funds	Partner (if applicable)	Duration of investment (if any)	Progress as at the end of the reporting period	Expected return (if any)	Impact of profit or loss for the period	Involved in lawsuit	Date of disclosure (if any)	Index for details (if any)
Zhejiang DunAn Artificial Environment Co., Ltd.	Manufacture, sale and service of general cooling equipment, parts of domestic electrical appliances and metal materials; design, technical consultation and system installation of heating, ventilation and air conditioning projects, etc.	No	Acquisition	0.652	9.71%	No	Held for trading financial assets	Equity fund	-	-	Completed	-	0.417	No	29 April 2022	Announcement in relation to the Acquisition of an Asset Bundle Consisting of Four Assets Including the Lakkor Tso Salt Lake Lithium Mine in Tibet Held by DunAn Group
Total	/	/	/	29.104	/	/	/	/	/	/	/	/	0.531	/	/	/

Management Discussion and Analysis *(continued)*

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Key non-equity investments

Project name	Project amount	Progress of project	Amount invested during the reporting period (RMB billion)	Actual accumulated investment (RMB billion)	Project return status
Qulong Mine of Julong Copper	RMB16.79 billion	The 100 thousand tonnes per annum project reached the designated production capacity in the second quarter of 2022. The technological upgrade with a scale of 150 thousand tonnes per annum has commenced.	1.5	16.7	After phase 1 of the Qulong Copper Mine project completes construction and reaches the designated production capacity, the average copper output will be approximately 160 thousand tonnes per annum
New second raw ore conveyer belt transportation project of the Julong Copper and Polymetallic Mine	RMB0.417 billion	It is expected that the project can be completed in the third quarter of 2023.	0.068	0.068	Ensure the 150 thousand tonnes per annum project can reach the designated production capacity and achieve normal ore supply
Technological upgrade and expansion project of the intellectualised mining and processing of Shanxi Zijin	RMB1.995 billion	The main structure of the new office and living area was completed in November 2022. The project will be completed in the second quarter of 2023.	0.452	1.682	After completion of construction and reaching the designated production capacity, an additional 3 to 4 tonnes of gold metal can be produced per annum
300 thousand tonnes per annum mining and processing project of the Xiangyuan Lithium Mine of Hunan Zijin Lithium	RMB0.12 billion	Construction was completed and production commenced in November 2022. Technological upgrade and fine-tuning are in progress. Designated production capacity has not been reached yet.	0.11	0.11	After completion of construction and reaching the designated production capacity, approximately 2,000 tonnes of lithium carbonate equivalent can be produced per annum
Guizhou Zijin 1,000 tonnes/day pressurised pre-oxidation technological upgrade project	RMB567 million	Civil work was completed, installation of equipment enters the later stage.	0.39	0.462	After completion of the project, there will be an additional mixed ore (gold concentrate + raw ore) treatment capacity of 1,000 tonnes/day. The whole pressurised pre-oxidation system will have a mixed ore treatment capacity of 1,450 tonnes/day

Management Discussion and Analysis *(continued)*

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Project name	Project amount	Progress of project	Amount invested during the reporting period (RMB billion)	Actual accumulated investment (RMB billion)	Project return status
Serbia Zijin Copper technological upgrade (mine + smelter plant)	USD1.778 billion (including USD484 million capital increment)	<p>Technological upgrade and expansion project of the VK Mine was completed and commenced production in December 2022.</p> <p>Excavation of the detouring project of the new drainage system at the VK Mine commenced in April 2022. A total of 49% of the project was completed in 2022, full connection is expected in November 2023.</p> <p>Technological upgrade and expansion of the JM Mine to change the mining method from the filling method to the caving method is in progress. The construction of four 1,000-metre vertical shafts and connection of no. 1 and 2 inclined shafts with plastic belt were completed in 2022. Levelling of the new processing plant is expected to start in April 2023, striving to complete construction and commence production by the end of 2025.</p> <p>Construction for expansion and technological upgrade of the smelter plant was basically completed by the end of 2022. Due to power supply issue, production commencement is expected in the first quarter of 2023.</p>	1.416	9.2	After completion of technological upgrade and expansion as well as reaching the designated production capacity, the mine is expected to produce 150 thousand to 160 thousand tonnes of copper metal annually, and the smelter plant is expected to produce 180 thousand tonnes of refined copper metal (with rooms to increase to 200 thousand tonnes)
Heap leach project of the Binduli Gold Mine of Norton	AUD462 million	<p>The Binduli North gold ore heap leach project produced the first batch of gold in late 2022.</p> <p>Optimisation and adjustment of the plan of the Binduli South gold ore heap leach project were completed. It is proposed to adopt the 5Mt/ a heap leaching + vehicle transport method, which is same as the Binduli North project. It is planned that construction will commence in 2023.</p>	0.683	1.440	After completion of all the construction work, approximately 7 tonnes of gold can be produced in peak years

Management Discussion and Analysis *(continued)*

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Project name	Project amount	Progress of project	Amount invested during the reporting period (RMB billion)	Actual accumulated investment (RMB billion)	Project return status
Refractory gold ore project of Norton	AUD92.56 million	Construction is basically completed. It is expected that construction will be completed and production will commence in the first quarter of 2023.	0.291	0.446	Extending the service life of the Paddington Mill
500t/d pressurised oxidation project of the Taror Gold Mine of Zeravshan	USD117 million	The project is being carried out generally according to the plan. Civil construction was partially completed in 2022, steel structure was transferred and equipment installation engineering is in progress. It is planned that construction will be completed and production will commence in September 2023.	0.384	0.494	The processing scale of the project is 165 thousand tonnes per annum. After completion of construction, the annual output of gold, copper and silver will be 2.3 tonnes, 7,600 tonnes and 11.48 tonnes, respectively
Phase 1 and phase 2 of Tres Quebradas Salar project of Liex	USD1.3 billion	Phase 1: Construction of the small pre-concentration pond was completed by the end of November 2022 and brine evaporation was initiated. The construction of the large pre-concentration pond and pre-concentration pond is progressing normally. Procurement of major long-term equipment has been completed, and the project is planned to complete construction and commence production by the end of 2023. Phase 2: Project has been established and initiated.	1.467	1.467	After all construction of the phase 1 and phase 2 projects is completed and the designated production capacity is reached, approximately 50 thousand tonnes of lithium carbonate can be produced per annum
20 thousand tonnes per annum highly-efficient electronic copper foil construction project of Fujian Zijin Copper Foil Technology Co., Ltd.	RMB1.28 billion	The civil work was completed by 90% and entered into the final stage in April 2022. It is expected that the construction can be completed by the end of June 2023. The lithium foil production line is planned to carry out full trial run by the end of March 2023, the standard foil production line is planned to carry out full production at the end of June 2023.	1.017	1.019	After completion of the project and reaching the designated production capacity, 20 thousand tonnes of copper foil can be produced per annum

Management Discussion and Analysis *(continued)*

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Project name	Project amount	Progress of project	Amount invested during the reporting period (RMB billion)	Actual accumulated investment (RMB billion)	Project return status
20 thousand tonnes per annum lithium iron phosphate project (including iron phosphate project) of Fujian Zijin Lithium Materials Technology Co., Ltd.	RMB572+236 million	20 thousand tonnes per annum lithium iron phosphate production line was officially put into production in December 2022. Overall construction and equipment installation of the iron phosphate project have been completed by 32% and 98%, respectively. It is expected the construction will be completed and production will commence by the end of June 2023.	0.385	0.385	The iron phosphate project is for the purpose of securing the raw material supply of lithium iron phosphate products. After completion of the whole project and reaching the designated production capacity, 20 thousand tonnes of lithium iron phosphate can be produced per annum
Highly-efficient copper alloy intensive processing project (including foil hot rolling project) of Fujian Zijin Copper	RMB532+560 million	Phase 1 cast coil production line completed construction and commenced production in January 2023. The main construction of phase 1 foil hot rolling plant and auxiliary main body was completed. The infrastructure construction of the six-high rolling mill is still in progress, rolling mill, cleaning line, air cushion furnace, etc. are under installation. It is expected to complete construction and commence production in June 2023.	0.175	0.250	An additional 21 thousand tonnes per annum billet production capacity is expected. Production capacity of highly-efficient copper alloy foil, special alloy foil, zinc-bronze foil, etc. will increase by 15 thousand tonnes
Zijin Sanya Gold Industrial Park	RMB428 million	Gold smelting plant, research building and other major construction is completed by 70%.	0.152	0.191	The designated production scale of gold refining project after completion of the project is standardised gold bullion of 100 tonnes per annum, 49 silver by-product of 20 tonnes per annum

Management Discussion and Analysis *(continued)*

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Information on investment in private equity funds

Zijin Mining Equity Investment Management (Xiamen) Co., Ltd. (“Zijin Equity Investment”) and Zijin Mining Asset Management (Xiamen) Co., Ltd. (“Zijin Asset Management”), wholly-owned subsidiaries of the Company, are private equity and venture capital fund managers registered and filed with the Asset Management Association of China. These two companies carry out investment and asset management through the establishment of private equity and venture capital funds. As at the end of the reporting period, the total assets, total liabilities and net assets of Zijin Equity Investment amounted to RMB382.45 million, RMB16.60 million and RMB365.85 million, and the realised net profit for the year 2022 amounted to RMB53.82 million. The total assets, total liabilities and net assets of Zijin Asset Management amounted to RMB10.01 million, RMB1.69 million and RMB8.31 million, and the realised net profit for the year 2022 amounted to RMB1.37 million.

Information on the investment in derivatives

At the first extraordinary meeting in 2022 of the seventh term of the Board convened by the Company on 14 January 2022, the Proposal in relation to Authorisation of Commodity and Foreign Exchange Derivatives Hedging Business in 2022 was considered and approved. It was agreed that the Company and its subsidiaries carry out hedging businesses on the products, raw materials and foreign exchange in relation to production and operation. The hedging business is conducive to reducing the impact of commodity market price fluctuations on the Company’s production and operation, and preventing interest rate and exchange rate risks. The Company makes use of the hedging function of financial instruments to carry out hedging business on the risk exposures of the products, raw materials and foreign exchange in relation to production and operation at the right time to enhance the Company’s ability to prevent risks and ensure stable operation.

The Company adheres to the basic principle of “hedging only, not speculation” and conducts hedging transactions in a stringent manner. The Company and its subsidiaries have formulated the Management Policy of Bulk Commodity Hedging, Management Policy of Comprehensive Risk Management, Management Policy of Capital and Implementation Rules for Commodity Futures Hedging, which stipulate in detail the risk control, approval procedures and subsequent management of hedging business, so as to effectively guard against the risks of the business. The Company accounts for its hedging business in accordance with the Accounting Standard for Business Enterprises No. 22 – Financial Instruments: Recognition and Measurement, Accounting Standard for Business Enterprises No. 24 – Hedging, Accounting Standard for Business Enterprises No. 37 – Financial Instruments: Presentation and Disclosures, Accounting Standard for Business Enterprises No. 39 – Measurement at Fair Value and other relevant regulations and guidelines published by the Ministry of Finance. For details, please refer to the Company’s announcement on the Shanghai Stock Exchange (Lin No. 2022-004).

At the first extraordinary meeting in 2022 of the seventh term of the Board convened by the Company on 14 January 2022, the Proposal in relation to the Plan of Development of Financial Business of Zijin Mining Investment (Shanghai) Co., Ltd. and Other Companies for the Year 2022 was considered and approved. On the premise of not affecting the normal operation of the Company and having effective risk control, it was agreed that the subsidiaries of the financial sector of the Company can carry out their own financial business. They are authorised to use no more than RMB300 million to invest in self-operated commodities and stock index derivatives; and are authorised to use no more than USD100 million or the equivalent amount in foreign currencies to invest in foreign exchange derivatives. For details, please refer to the Company’s announcement on the Shanghai Stock Exchange (Lin No. 2022-005).

During the reporting period, the Company strictly complied with the Management Policy of Comprehensive Risk Management and various work management policies and business management policies, compiled various standard operating procedures for its work, strictly implemented its investment rules and stop-loss mechanism, and effectively prevented and controlled investment risks.

Management Discussion and Analysis *(continued)*

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Analysis of major subsidiaries and associates

Unit: RMB billion

Company name	Mine	Gold segment				
		Interest held by the Group	Total assets	Net assets	Operating income	Net profit
Joint Venture Zeravshan Limited Liability Company	Jilau, Taror Gold Mines	70%	3.27877	1.63255	4.66144	1.75608
Norton Gold Fields Pty Limited	Paddington Operations	100%	5.44821	1.98217	2.04358	0.08691
Altynken Limited Liability Company	Taldybulak Levoberezhny Gold Mine	60%	1.86277	1.42338	1.54078	0.46938
Hunchun Zijin Mining Co., Ltd.	Shuguang Gold Mine	100%	1.11530	0.77359	1.35278	0.45358
AGM Inc.	Aurora Gold Mine	100%	1.49116	-0.67282	1.07962	0.10173
Continental Gold Limited Sucursal Colombia	Buriticá Gold Mine	69.276%	8.16247	3.21222	2.99545	0.21102

Company name	Mine	Copper segment				
		Interest held by the Group	Total assets	Net assets	Operating income	Net profit
La Compagnie Minière de Musonoie Global SAS	Kolwezi Copper Mine	72%	6.18055	3.57562	7.00784	1.80172
Heilongjiang Duobaoshan Copper Industry Inc.	Duobaoshan Copper Mine	100%	11.01730	6.48861	7.03751	2.47499
Serbia Zijin Copper Doo	MS/VK/NC/JM	63%	18.15635	7.39670	7.07800	1.89151
Serbia Zijin Mining Doo	Čukaru Peki Copper and Gold Mine	100%	6.18423	5.33493	6.79349	4.50131
Xinjiang Habahe Ashele Copper Co., Ltd.	Ashele Copper Mine	51%	3.22619	2.12045	2.65258	1.16797
Tibet Julong Copper Co., Ltd.	Qulong Copper Mine + Zhibula Copper Mine	50.1%	22.65042	6.05054	6.70446	2.35512

Management Discussion and Analysis *(continued)*

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Unit: RMB billion

		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%	4.37265	3.33614	3.24438	0.68591
Xinjiang Zijin Zinc Co., Ltd.	Wulagen Lead and Zinc Mine	100%	5.85029	3.63546	2.21851	0.86686
Urad Rear Banner Zijin Mining Co., Ltd.	Miaogou-Sanguikou Lead and Zinc Mine	95%	2.11532	0.81123	0.87599	-0.36519
Longxing Limited Liability Company	Tuva Zinc and Polymetallic Mine	70%	3.06314	2.08635	1.75867	0.45257

		Refining segment				
Company name	Main product	Interest held by the Group	Total assets	Net assets	Operating income	Net profit
Zijin Copper Co., Ltd.	Refined copper	100%	12.30376	4.37692	30.70454	0.71373
Bayannur Zijin Non-ferrous Metals Co., Ltd.	Zinc bullion	87.20%	2.92356	1.74322	5.16896	0.25493
Jilin Zijin Copper Co., Ltd.	Refined copper	100%	3.17738	1.36259	10.61509	0.06865
Heilongjiang Zijin Copper Co., Ltd.	Refined copper	100%	4.61454	2.03683	11.66362	0.35005

		Other segments				
Company name	Main product	Interest held by the Group	Total assets	Net assets	Operating income	Net profit
Fujian Longking Co., Ltd. [#]	Atmospheric environmental protection equipment	15.86%	26.41819	7.57671	11.88015	0.80878
Xinjiang Jinbao Mining Co., Ltd.	Iron ore	56%	2.13811	1.30953	1.16390	0.46949
Fujian Makeng Mining Co., Ltd.	Iron ore	41.50%	4.5488	2.61666	2.04089	0.63492

[#] Financial data of Longking is extracted from its 2022 annual report.

Management Discussion and Analysis *(continued)*

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2023 GUIDANCE AND OUTLOOK

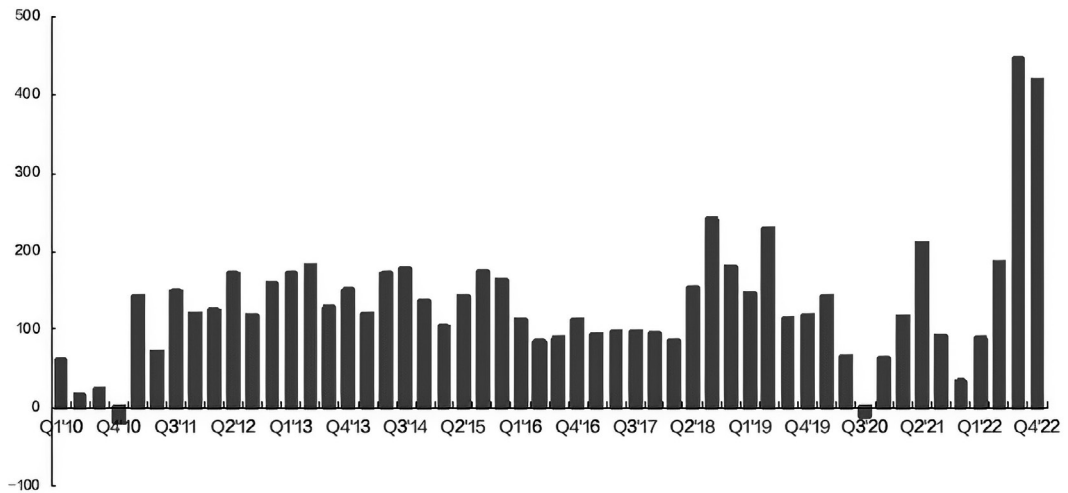
I. Industry landscape and trends

1. Gold: new opportunities brought by profound changes

In the medium to long term, as the world is facing the unprecedented change in a century, the value of gold investment is becoming increasingly prominent. First, the international monetary system is undergoing profound changes, with a sharp increase in gold purchase demand from central banks. In 2022, the net purchase of gold reserves by global central banks amounted to 1,136 tonnes, being the highest level ever recorded. Under the trend of “de-dollarisation” and multi-polarisation of currencies, there is a relatively larger room for global central banks to increase their gold reserves. Second, with global stagflation looming and geopolitical risks emerging, gold investment is favourable. The world has basically bid farewell to the era of low inflation, low growth and high inflation are becoming the new characteristics of the era. Gold is undoubtedly the most attractive investment product in the “stagflationary” environment.

There is an increasing probability that the European and US economies will fall into recession, and the gold price pivot is expected to move upwards in 2023. Under the influence of the aggressive rate hikes by the Federal Reserve, consumer spending in the United States has slowed down and the banking system is in turmoil, indicating that the US economy is difficult to withstand an excessively high interest rate environment for a long time. In 2023, there is a higher probability that the Federal Reserve will stop rate hikes or even initiate rate cuts. Real interest rate in the United States is expected to face downward pressure, which will benefit gold price performance.

• Net purchases of gold reserves by global central banks (tonnes, quarterly)



Management Discussion and Analysis *(continued)*

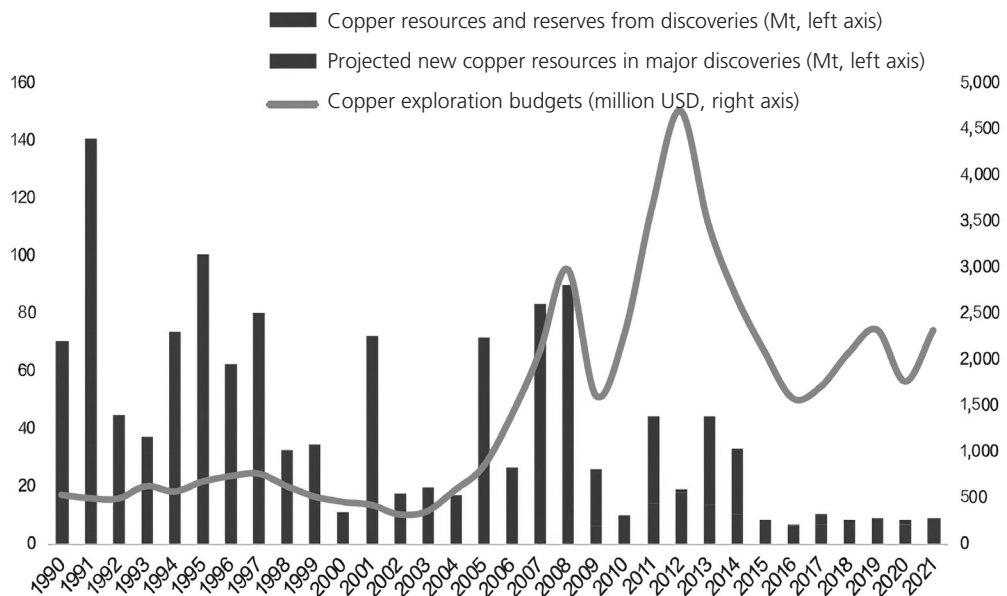
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2. Copper: reshaping the supply and demand in an era of energy transition

In the medium to long-term, energy transition will reshape the copper supply and demand structure, and the copper price pivot will continue to rise. New energy has become an important demand engine for copper. In 2022, the demand from the new energy sector (electric vehicles + new energy generation) has accounted for 10% of the total copper demand, and it is expected to increase to 20% by 2030. S&P analysis forecasts that global copper demand will double to 50 million tonnes by 2035, but there will be a significant shortfall in new copper supply, leaving a shortfall of near 10 million tonnes in 2035. There is an unbridgeable gap between medium to long-term copper demand and supply.

Rate hikes by the Federal Reserve and the demand from China are the main themes of logic. It is expected that the copper price will remain high and fluctuate in 2023. Copper is a highly macro-oriented commodity. Against the backdrop of significant changes in the macro environment in the last 2-3 years, the core pricing logic for copper in the short to medium term is still dependent on the two main themes of financial and demand. It is expected that there will be a marginal improvement or even reversal in the two suppressive factors, i.e., the rate hikes by the Federal Reserve and the economic recession in China. This will define the main tone of the strong copper price in 2023. Yet, copper price is constrained by the possibility of the European and US economic recession, as well as the increase in the growth rate of copper supply. It may be temporarily difficult for copper price to show an upward trend this year.

• The number of copper mines discoveries in the world and copper exploration budgets since 1990



Management Discussion and Analysis *(continued)*

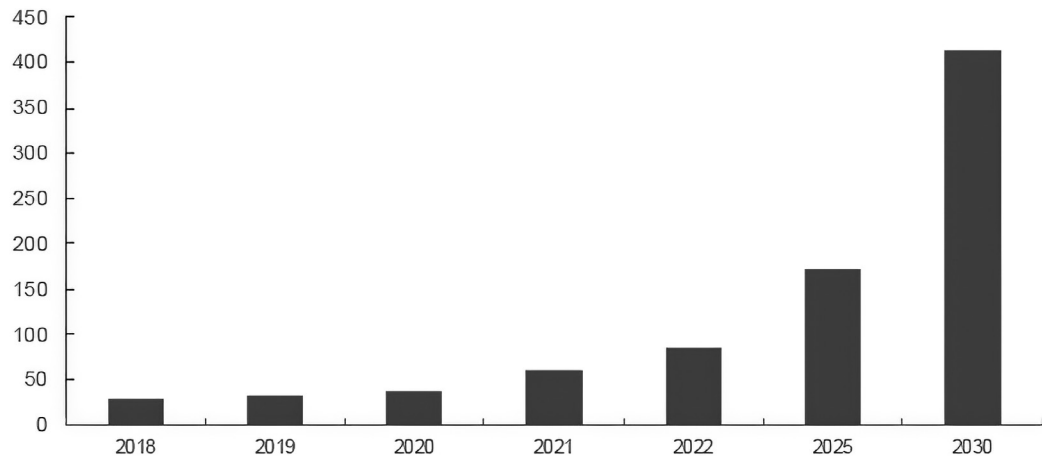
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3. Lithium: growing into a “big metal”

In the medium to long term, lithium will grow into a “big metal”. There may be a reshuffle of the supply pattern of the lithium industry. Global new energy lithium industry is soon to enter the TWh era. The lithium resource demand is expected to exceed 4 million tonnes of LCE by 2030, with demand growing at a compound annual growth rate of around 25% by 2030. The output value and scale of lithium industry will overtake certain base metals. Thanks to the explosive growth in demand, high lithium price has attracted a large influx of capital investment into lithium resource development activities, but it also caused certain chaos in resource development. Mining development is a high-barrier industry. Following the easing of supply-demand conflict, lithium price will fall gradually. In the coming few years, there may be a reshuffle of the supply pattern of lithium industry.

The tension between the supply and demand of lithium has eased. Lithium has a price reversion pressure in 2023. The pricing of lithium is still highly market-based. In 2023, the sales growth of new energy vehicle in China is likely to slow down. The tension between the supply and demand of lithium resources will be eased. Lithium resources have a relatively high abundance. Some greenfield projects may be gradually released in 2023 under the stimulation of high lithium price earlier. It is expected that lithium price will drop in 2023. Resource development ability and cost control ability are becoming the key elements for competition in the industry.

• Global lithium demand forecast/converted to LCE, 10 thousand tonnes



Management Discussion and Analysis *(continued)*

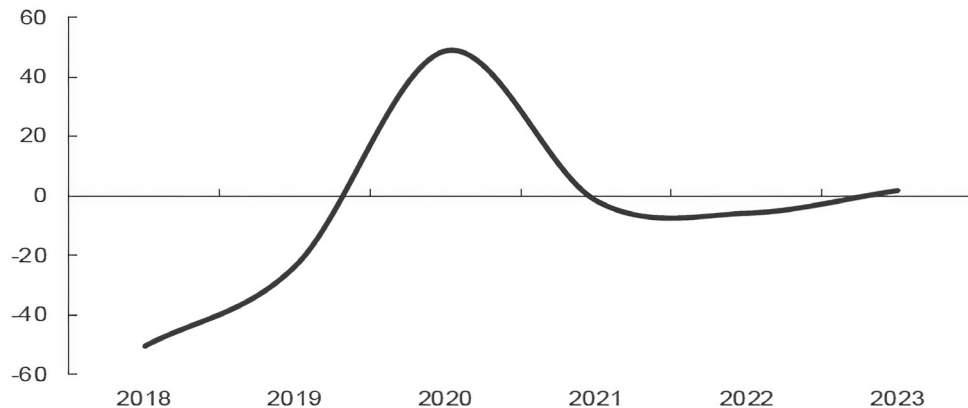
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4. Zinc: The equilibrium status of refined zinc will continue

In the medium to long term, the growth in demand from the new energy sector shall not be ignored and the room for growth of zinc supply is limited. According to the International Zinc Association, a 10MW offshore wind farm turbine requires 4 tonnes of zinc and a 100MW photovoltaic power station requires 240 tonnes of zinc. CRU estimates that during 2022-2027, zinc demand in China will increase from 6.52 million tonnes to 6.975 million tonnes, with 120 thousand tonnes from the field of renewable energy, accounting for 26% of the increase in the total demand. At the same time, we are still cautious about the release of long-term supply of zinc mines, mainly due to the lack of subsequent flagship incremental mining projects and the fact that the global metal mining industry is facing a combination of increased production disturbances, rising development difficulties and environmental constraints.

The zinc market is expected to maintain a tight supply and demand equilibrium, and in 2023, zinc price is expected to stay relatively strong yet volatile. The European energy issue has become the most important pricing factor for zinc price in the past two years. Although the European energy issue has eased, it has not been completely resolved. The speed of production resumption of European smelters may not meet the expectations. At the same time, the Chinese economic recovery has set the main theme for demand. It is expected that the performance of zinc price will stay relatively strong yet volatile in 2023.

• Demand and supply equilibrium of refined zinc, 10,000 tonnes



II. The development strategies of the Company

The Company amended the Outline of Five-Year (2+3) Plan and Development Goals for 2030, and announced the Outline of Three-Year (2023-2025) Plan and Development Goals for 2030 in January 2023. At the same time, programmatic documents such as the Guiding Opinion on the Work for Three Years (2023-2025), the Action Programme on Climate Change and the Amendment Plan to the Zijin Culture and Philosophy System were formulated, which outlined a new blueprint to become a “green, high-tech, leading global mining company”.

For details, please refer to the Announcement in relation to the Outline of Three-Year (2023-2025) Plan and Development Goals for 2030 disclosed by the Company on HKEXnews website (<http://www.hkexnews.hk>) dated 30 January 2023.

Management Discussion and Analysis *(continued)*

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III. Business plan

1. The planned production volumes of the Company's key mineral products for 2023

In 2023, the Company plans to produce 950,000 tonnes of mine-produced copper, 72 tonnes of mine-produced gold, 450,000 tonnes of mine-produced zinc/lead, 390 tonnes of mine-produced silver, 3,000 tonnes of lithium carbonate and 6,000 tonnes of mine-produced molybdenum; investment expenditure for project construction (including technological upgrade) is expected to be RMB29.3 billion. The relevant capital expenditure will be supported by the Company's internal funding, bank loans, issuance of bonds and notes, and other feasible means of financing.

In light of the complexity and volatility in market environment, the plan stated herein is for indicative purpose only, and is uncertain and does not constitute any commitment to the realisation of the production volumes and investment expenditure. The Company may adjust the plan based on changes in actual circumstances. Investors are advised to pay attention to the relevant risks.

2. Key work measures for 2023 and the next three years

The Company will fully implement the master work directive of "improving quality, reducing costs, boosting profitability", focus on production and construction, strengthen technological innovation, continue to strengthen resources base, consolidate and enhance the comparative competitive advantages in the industry, and promote the realisation of high quality and sustainable development with green and low carbon as key features.

Improve quality and insist to go on a global development path with Zijin characteristics

- Explore the establishment of an independent global governance path: The Company shall highlight ESG governance and explore a green and sustainable path that meets international standards while reflecting Zijin characteristics to become a large multinational mining enterprise.
- Establish a top talent team with globalised and diversified talents: The Company shall establish an employment and performance appraisal system based on the concept of "value creators first". This system shall enable the employees and the Company to share the fruits of development. The Company shall optimise the authorisation mechanism and process organisation, and improve the overseas operation command centre and investment and acquisition centre.
- Strengthen ESG key indicators and the management and control of "carbon peak and carbon neutral": The Company shall improve its international mainstream ratings; increase investment efforts in new energy and advanced material industries; make due contribution to global control of greenhouse gas emissions. The Company shall grasp safety, environmental protection and occupational health firmly, and establish a firm bottom-line awareness and a red-line mindset.
- Promote the core Zijin culture and philosophy of "common development": The Company shall integrate itself with the local culture of the places where its projects are located, so that the communities and their stakeholders will benefit from the presence of Zijin Mining. The Company shall gain continuous and wide recognitions from the society.

Management Discussion and Analysis *(continued)*

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

Reduce costs and reshape the comparative competitive advantages in the global mining industry

- Insist on cost control as the eternal theme of corporate management: The Company shall use value creation as guidance, improve productivity in all the factors in production, vigorously optimise asset structure, improve cost control capabilities, enhance the level of refined management and the core competitiveness of self-initiated innovation, and suppress the rising cost trend.
- Strengthen high-efficiency construction and low-cost operation: The Company shall apply Zijin's innovative concept and the "five-stage life-of-mine project management procedure by in-house capabilities" mining engineering management model, increase the research and promotion of new mining and processing methods such as the caving method, lithium extraction from brine, unmanned mines on the plateau, etc., and promote corporate development and project construction in a sustainable and highly efficient manner.
- Enhance the level and capability of independent research and development of informationalisation: The Company shall increase its efforts in the renewal of equipment in terms of electrification, automation and intelligence, improve the mining information database, establish smart mines and smart factories, promote the in-depth integration of informationalisation with production and operation management.
- Strive to obtain mineral resources through investment and acquisition at a lower cost and make significant breakthroughs in geological exploration: The Company shall rely on its excellent professional decision-making ability and geological exploration technology to implement counter-cyclical acquisitions in a timely manner; intensify the new round of geological exploration and appropriately organise "greenfield" exploration in key metallogenic zones around the world, so as to consolidate and enhance its global geological competitiveness in exploration in the new era.

Boost profitability and accelerate the transformation of resource advantage into economic and social contributions

- Production capacity of incremental projects shall be fully released, production volumes of existing projects shall be stabilised and their quality and efficiency shall be enhanced.
- Copper segment: Fully promote the implementation of the technological upgrade and expansion projects of the Kamoá Copper Mine and its smelter in the DR Congo, the Bor and Čukaru Peki Copper Mines in Serbia and the Julong Copper Mine in Tibet; facilitate the construction of caving mining method projects of the four large-scale underground porphyry copper deposits including the JM Copper Mine and the Lower Zone of the Čukaru Peki Copper and Gold Mine in Serbia, the Tongshan Copper Mine in Heilongjiang and the Zijinshan Luoboling Copper Mine in Fujian.
- Gold segment: Expand the production capacity advantages of the Rosebel Gold Mine in Suriname, the Buriticá Gold Mine in Colombia, the Aurora Gold Mine in Guyana, Norton in Australia, Zeravshan in Tajikistan, Altynken in Kyrgyzstan and Longnan Zijin, Shanxi Zijin, Guizhou Zijin and other mines; ensure that the Haiyu Gold Mine and the Sawaya'erdun Gold Mine will complete construction and commence production on schedule; and strive for the resumption of operation of the Porgera Gold Mine.
- New energy and advanced material segment: Focus on ensuring the "two lakes, one mine" will complete construction and commence production on schedule; increase in merger and acquisition as well as exploration and development of new lithium resources; leverage a number of subsidiaries and associates including Longking to achieve breakthroughs in development; extend to the downstream material industries which have strong correlation to the Company to the optimal extent.
- Other minerals and related industries segment: Fully facilitate the completion of the acquisition and subsequent construction of the Shapinggou Molybdenum Mine in Anhui and create it as the world's largest molybdenum production enterprise; leverage the synergies generated from mining-related segments including smelting, processing, finance, trading, logistics, construction and technology.
- Construct a "Zijin Series" capital map: Thoroughly connect with domestic and foreign capital markets, enhance capital financing capabilities, implement and complete the issuance of convertible corporate bonds; follow the trend of industrial upgrade, promote asset securitisation, and unleash the effectiveness of platform companies in Shanghai, Hainan, Hong Kong, Singapore, etc.

Management Discussion and Analysis *(continued)*

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

IV. Possible risks

1. Risk management system

The Company follows international rules and the laws and regulations of the countries and regions where it operates. It has a sound risk governance system and risk management mechanism which meet international development standards. It has established a complete top-down risk management and control system which consists of the Board and its specialised committees, the Supervisory Committee, management and the subsidiaries to prevent and resolve external investment risks; possessed risk information collection, risk identification, risk assessment, risk handling and risk review methods that are in line with the Company's own characteristics; set up specialised risk management and control organisations for international geopolitics, laws and regulations, labour policies, culture and customs, market environment, interest rates and exchange rates, tax policies, supply chains, cross-border related transactions, safety, environmental, social and governance and other key areas.

2. Potential risk factors

Risk identification	Risk assessments	Countermeasures
<p>Geopolitics</p>	<p>The global mineral resources are distributed unevenly. Certain countries or regions where mining assets are allocated have certain instability in politics and social structure. The potential impact of the global resource nationalism is intensified under the shadow of the Russo-Ukrainian War. Certain countries or regions where the Company's overseas projects are located have uncertainty in economic and policy environment.</p>	<ul style="list-style-type: none"> – Attach great importance to and identify key information difference regarding the macro-economic environment, policies and regulations on the mining industry, stableness of financial market, the existence of foreign exchange controls and profit distribution restrictions, etc. of the countries or regions to ensure that the global investment policies and arrangements are sound. – Uphold operation compliance with laws and regulations and follow the laws, ethics, social, economic and human rights standards of the host countries and regions of the projects, ensure the assets are under safe and reliable operation. – Proactively maintain a constructive relationship with the governments, supervisory institutions and other stakeholders in the localities of the projects and the overseas organisations of the PRC to ensure that the production and operation can be carried out orderly. – Continue to purchase master insurance policy for the overseas projects and assets to provide security to a certain extent.

Management Discussion and Analysis *(continued)*

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

Risk identification	Risk assessments	Countermeasures
Financial market	<p>There are large differences in the tax laws and regulations and exchange rates around the globe. If there are significant changes in the tax laws and regulations and exchange rates during the operation of certain overseas projects of the Company, it may affect the operation and production of the Company; meanwhile, as the Company holds certain amount of marketable securities and assets denominated in foreign currencies, knock-on effects may arise.</p>	<ul style="list-style-type: none"> – Establish and optimise the management systems regarding overseas and domestic finance, tax, monetary and capital under the organisation and management of the Company's finance committee, raise the role of the global finance and investment platforms in Shanghai, Hainan, Hong Kong, Singapore, etc. – Strengthen risk identification, prediction and response capabilities, and improve the pertinence, foresightedness and depth of management and control on tax, exchange rates, foreign exchange control, profit distribution restrictions and potential credit risks of local banks. – Optimise asset and liability structure, use functional currency-denominated settlement mechanism properly, and use relevant capital and financial instruments in an appropriate and timely manner to hedge against relevant risks.
Metal prices	<p>Copper, gold, zinc, lithium and other metal products, which are the Company's main businesses, are the major sources of the Company's profit. There is a relatively strong correlation between the Company's operating results and the price fluctuation of mineral products. If the prices of relevant mineral products fluctuate significantly, the Company's production and operation may be under greater pressure.</p>	<ul style="list-style-type: none"> – Optimise asset quality, enhance possession of mineral resources and the development and utilisation efficiency, give full play to the low-cost operation advantage and self-initiated technological advantage, seize significant market opportunities, substantially increase the production capacity and efficiency of major metal products. – Enhance market tracking study, implement specific stress testing beforehand, optimise product portfolio, use financial derivatives in a scientific, rational and prudent manner to respond to and prevent price fluctuation risks.

Management Discussion and Analysis *(continued)*

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

Risk identification	Risk assessments	Countermeasures
<p>Cross-cultural management and stakeholders</p>	<p>The Company has a variety of overseas investment projects, and the levels of political, economic, social and cultural development vary greatly from country to country. Some countries or regions may have certain geopolitical risks, policy and law adjustment risks, and community risks.</p>	<p>– Adhere to the concept of “common development”; establish closely connected multicultural groups, and build a business ecosystem of co-dependence, co-existence and co-development, so that the countries where the projects are located, communities, employees, investors and other stakeholders can benefit from the existence of the Company.</p> <p>– Comply with international rules, build a highly adaptable global operation management system, carry out in-depth research on international rules, standards, practices, and political environment, improve the global legal system, and enhance the ability to manage and control overseas projects.</p> <p>– Promote cross-cultural exchanges and mutual learning, maintain close communication with governments and communities, strengthen policy research of overseas project locations, strengthen the mechanism and ability of warning and precaution against safety risks, establish a sound legal risk prevention and resolution mechanism, and form a set of emergency response strategies and management systems covering politics, public security, environmental protection, community, public opinion, etc.</p>
<p>Safety, environmental protection and climate change initiatives</p>	<p>As a mining enterprise, certain safety and environmental incidents may still occur during production process. Besides, as climate change may bring acute natural disasters such as rainstorms, mudslides and earthquakes, certain safety and environmental protection risks exist. Control on carbon emission, carbon tax, etc. will increase the Company’s operating costs.</p>	<p>– Adhere to the concept of eco-friendly, high-quality and sustainable development, follow international standards and norms, establish and optimise governance system for safety, environmental protection, occupational health and ecological environment, and vigorously implement the development of an international brand for safety, environmental protection and ecology.</p> <p>– Implement The Action Programme on Climate Change of Zijin Mining, effectively reduce carbon emissions, raise water use efficiency, strengthen biodiversity conservation and develop environmental protection business in an orderly manner.</p>

Management Discussion and Analysis *(continued)*

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

Other information

The case of unlicensed mining of Urad Rear Banner Zijin, a subsidiary of the Company

During the period from August 2013 to the year 2020, Urad Rear Banner Zijin, which owned an exploration licence but not a mining permit at the northern mining section of the Sanguikou Mine in Dongshengmiao, Urad Rear Banner, excavated mine roadway and mined ores during the exploration process instead of the mining process at the northern mining section of the Sanguikou Mine in Dongshengmiao, Urad Rear Banner. The total value of the ores involved amounted to RMB460.8209 million. Urad Rear Banner Zijin and 7 relevant personnel were sued by the Urad Rear Banner People's Procuratorate for suspected illegal mining.

On 31 December 2022, the case was heard at the Urad Rear Banner Court. According to the judgement, the verdict for the case is as follows: Urad Rear Banner Zijin committed illegal mining. The income from the illegal activity of RMB460.8209 million is confiscated, and an additional penalty of RMB15 million is imposed, which shall be paid within 10 days after the verdict has become effective. The 7 personnel involved in the case are sentenced to 1 year of imprisonment, suspended for 2 years to 3 years of imprisonment, suspended for 5 years, and being imposed penalties ranging from RMB60 thousand to RMB200 thousand.

The 7 personnel involved in the case are not the Directors, Supervisors and senior management of the listed company.

Report of the Directors

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

The Directors of the Company hereby submit the Report of the Directors and the audited financial statements of the Group for the year ended 31 December 2022.

PRINCIPAL BUSINESS

The Group is principally engaged in the exploration, mining, processing, refining and sales of gold, non-ferrous metals and other mineral resources, and is a large-scale and comprehensive mining group primarily engaged in the production of gold and non-ferrous metals. The Group produces gold bullion of 99.99% and 99.95% purity under the “ZIJIN” brand, copper cathode and zinc bullion, etc. There were no significant changes in the nature of the Group’s principal activities during the reporting period.

Details regarding the key businesses of the Group’s subsidiaries and associates are set out in Notes VII.1 and VII.3 to the financial statements, respectively.

OPERATING RESULTS

The operating results of the Group for the year ended 31 December 2022 are set out in the financial statements.

Profit distribution plan or plan for conversion of capital reserve into share capital of the Company

Formulation, execution or adjustment of cash dividend distribution policy

According to the “Notice in relation to Further Implementing Cash Dividend Distribution of Listed Companies” (Zheng Jian Fa [2012] No. 37) and “No. 3 Guideline for the Supervision of Listed Companies – Cash Dividend Distribution of Listed Companies” (Zheng Jian Fa [2013] No. 43) issued by the CSRC and the requirements of other laws, regulations and regulatory documents and the articles of association of the Company, in order to improve and optimise the decision making on the Company’s profit distribution and supervisory mechanism, while taking into consideration of the Company’s production, operation and sustainable development and maintaining a reasonable return to investors of the Company, the Profit Distribution and Return Plan for Years 2020-2022 was considered and approved at the Company’s second extraordinary general meeting in 2020. The plan required that unless there is a special circumstance, the Company’s accumulative profit distribution in cash for the last 3 years shall not be less than 90% of the average annual distributable profits realised for the last 3 years.

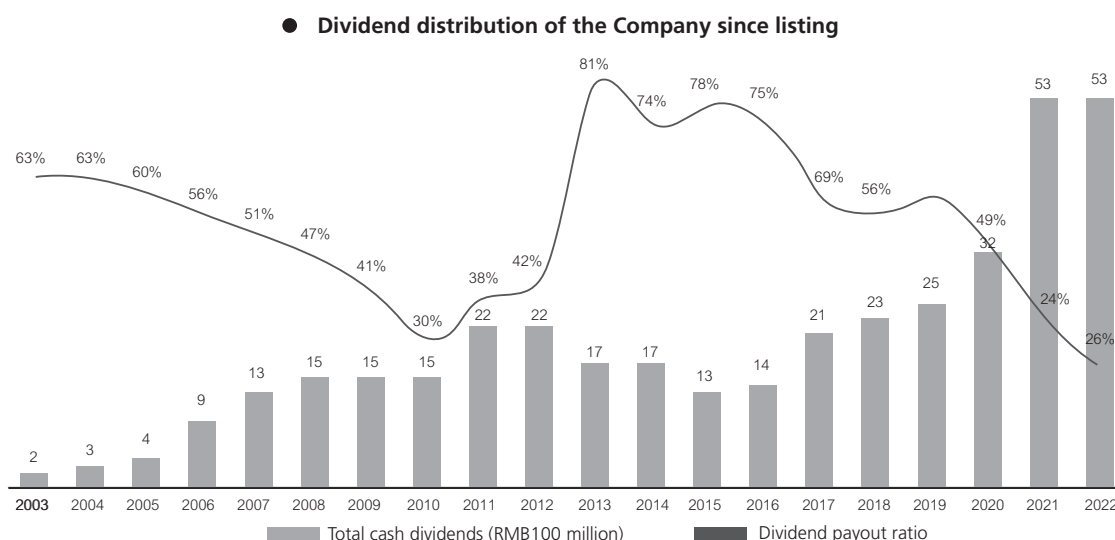
As audited by Ernst & Young Hua Ming LLP, the Group’s net profit attributable to owners of the parent for the year ended 31 December 2022 in the consolidated financial statements prepared in accordance with CAS was RMB20,042,045,977. The net profit of the parent company for the year ended 31 December 2022 was RMB2,963,252,717, adding retained earnings from the previous years of RMB7,969,010,281 and deducting the profit distributed by the parent company in 2022, as at 31 December 2022, the accumulated distributable profits of the parent company was RMB5,666,400,550.

The profit distribution plan for the year ended 31 December 2022 proposed by the Board is as follows: the Company proposes to distribute a final cash dividend of RMB2 per 10 shares (tax included) to its shareholders who are qualified for participating in profit distribution on the record date of profit distribution. The actual amount of cash dividend to be distributed will be determined according to the number of shares on the record date. There will be no conversion of capital reserve into share capital for the year ended 31 December 2022. The profit distribution proposal for the year ended 31 December 2022 is subject to the consideration and approval at the shareholders’ general meeting. Details of the cash dividend distribution ratio for the year less than 30% of the net profit attributable to owners of the parents for the year are set out in the Announcement in relation to the Profit Distribution Proposal for the Year Ended 31 December 2022 (Lin: 2023-036) disclosed on the website of the Shanghai Stock Exchange.

Report of the Directors

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

The independent non-executive Directors of the Company have issued independent opinions of agreement. The independent non-executive Directors are of the view that: the Board of the Company has made sufficient demonstration during the formation of the profit distribution plan, which ensures the continuity and stability of the Company's profit distribution policy while taking into account the long-term interests of the Company, the overall interests of all shareholders and the sustainable development of the Company. The Company's accumulative dividends for the three years from 2020 to 2022 amounted to RMB13.726 billion, representing 32.51% of the accumulative net profit attributable to owners of the parent of RMB42.223 billion for the last 3 years, and it is also higher than the 90% of the average annual distributable profits realised for the last 3 years (RMB12.667 billion). As such, the above profit distribution plan complies with the relevant provisions on cash dividends matters in the articles of association of the Company, the Profit Distribution and Return Plan for Years 2020-2022 and the No. 3 Guideline for the Supervision of Listed Companies – Cash Dividend Distribution of Listed Companies. The voting procedures of reviewing the profit distribution plan at the Board meeting were lawful and effective. It is agreed to submit such matter to the 2022 annual general meeting of the Company for consideration.



The profit distribution plan for the year ended 31 December 2022 is subject to the approval at the 2022 annual general meeting

Special explanation of cash dividend distribution policy

Whether it complies with the provisions of the Company's articles of association or the requirements of the resolution of the shareholders' general meeting	√ Yes <input type="checkbox"/> No
Whether the dividend distribution standard and proportion are clear	√ Yes <input type="checkbox"/> No
Whether the relevant decision-making procedures and mechanisms are complete	√ Yes <input type="checkbox"/> No
Whether the independent non-executive Directors discharge their duties and play their due role	√ Yes <input type="checkbox"/> No
Whether minority shareholders have the opportunity to fully express their opinions and demands, and whether their lawful rights and interests have been fully protected	√ Yes <input type="checkbox"/> No

Report of the Directors

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

Profit distribution and conversion of capital reserve into share capital for the reporting period

Unit: RMB

Bonus shares for every 10 shares (share)	0
Dividend for every 10 shares (RMB) (tax included)	2
Capital conversion for every 10 shares (share)	0
Amount of profit distribution in cash (tax included)	5,264,724,448
Net profit attributable to ordinary shareholders of listed company in the consolidated financial statements for the year of profit distribution	20,042,045,977
Proportion to net profit attributable to ordinary shareholders of listed company in the consolidated financial statements (%)	26.27
Amount of repurchase of shares in cash included in profit distribution in cash	36,323,435
Total amount of profit distribution (tax included)	5,301,047,883
Proportion of total amount of profit distribution to the net profit attributable to ordinary shareholders of listed company in the consolidated financial statements (%)	26.45

Note: As the Company repurchased and cancelled 1,140,000 restricted A Shares on 11 January 2023, the total number of shares of the Company on the date of this report is fewer than that on 31 December 2022 by 1,140,000 shares correspondingly. The calculation of the above table is based on the current number of shares. The actual amount of cash dividend to be distributed will be determined according to the register on the record date.

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

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

Summary of event

The Company completed the first grant of 95,980,600 restricted A Shares in January 2021. The number of participants was 686 and the grant price was RMB4.95 per A Share. The Company completed the reserved grant of 2,510,000 restricted A Shares in December 2021. The number of participants was 39 and the grant price was RMB4.83 per A Share. As certain participants under the restricted A Share incentive scheme no longer satisfied the stipulations relating to the participants in the conditions of grant, on 15 November 2021 and 21 November 2022, the Company decided to conduct repurchase and cancellation of the restricted A Shares granted but not yet unlocked held by the abovementioned participants. 800,000 restricted A Shares were repurchased and cancelled on 17 January 2022 and the repurchase price was RMB4.83 per A Share; 1,140,000 restricted A Shares were repurchased and cancelled on 11 January 2023 and the repurchase price was RMB4.63 per A Share.

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") 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., extended to 6 June 2023. At the third meeting of holders of the Employee Stock Ownership Scheme and the fifth extraordinary meeting in 2023 of the eighth term of the Board, it was considered and approved that the duration of the Employee Stock Ownership Scheme will be extended from 72 months to 96 months, i.e., extended to 6 June 2025.

Index for details

- (1) For details about the grant, please refer to the Company's announcements disclosed on HKEXnews website (<http://www.hkexnews.hk>) dated 11 January 2021, 13 January 2021, 1 February 2021, 15 November 2021 and 9 December 2021.
- (2) For details about the repurchase, please refer to the Company's announcements disclosed on HKEXnews website (<http://www.hkexnews.hk>) dated 15 November 2021, 12 January 2022, 21 November 2022 and 8 January 2023.

For details, please refer to the Company's announcements disclosed on HKEXnews website (<http://www.hkexnews.hk>) dated 8 June 2017, 28 May 2020 and 17 February 2023.

Report of the Directors

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

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 to be 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 validity period	Whether the undertaking has been strictly complied with in a timely manner
Undertaking related to the initial public offering	Avoidance of competition within the same industry	Minxi Xinghang	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

Report of the Directors

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

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

Ashele Copper, a subsidiary of the Company, entered into a copper concentrates supply contract with Wuxin Copper on 28 February 2022. Sales 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 RMB1.543 billion (tax excluded).

Index for details

For details, please refer to the Company's announcement disclosed on HKEXnews website (<http://www.hkexnews.hk>) dated 28 February 2022.

Connected transactions related to joint external investment

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

Summary of event

Fujian Zijin Copper Foil Technology Co., Ltd., a subsidiary of the Company, conducted capital increase and expansion. All parties to the transaction made capital contribution in an aggregate amount of RMB501.88 million, of which, South Investment (a wholly-owned subsidiary of the Company), Minxi Xinghang (a connected person of the Company) and Zhejiang Transfar Chemicals Group Co., Ltd. ("Transfar Chemicals") contributed RMB260 million, RMB60 million and RMB181.88 million in cash, respectively. Upon the completion of the capital increase, the registered capital of Zijin Copper Foil increased to RMB900 million. South Investment, Minxi Xinghang and Transfar Chemicals hold 60%, 20% and 20% of the equity interest in Zijin Copper Foil, respectively.

Index for details

For details, please refer to the Company's announcement disclosed on HKEXnews website (<http://www.hkexnews.hk>) dated 11 July 2022.

Report of the Directors *(continued)*

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

Other connected transactions

On 9 September 2022, Zijin Finance and Zijin Copper Foil entered into a loan services agreement, pursuant to which Zijin Finance shall provide loan services to Zijin Copper Foil in accordance with the terms and conditions of the agreement. The term of the loan services agreement is from 9 September 2022 to 31 December 2024. Minxi Xinghang holds 20% equity interest in Zijin Copper Foil. Zijin Copper Foil is an associate of Minxi Xinghang and a connected subsidiary of the Company.

On 3 November 2022, the Company and Luoyang Yinan Chengfang Industrial Co., Ltd. (“Luoyang Industrial”) entered into an equity interest transfer agreement, pursuant to which Luoyang Industrial shall transfer its 30% equity interest in Zijin Yinhui to the Company at a consideration of RMB70 million. Luoyang Industrial is a connected person of the Company at the subsidiary level.

The abovementioned transactions constitute fully exempted de minimis connected transactions under Chapter 14A of the Listing Rules.

More details of the related party transactions undertaken by the Group in the ordinary course of business are set out in Note X.6 to the financial statements.

Accordingly, it is confirmed by the Directors that:

- (a) The connected parties in the above connected transactions have undertaken to the Company and the Hong Kong Stock Exchange to provide adequate access for auditor’s inspection of the relevant books and records, to review the above connected transactions and prepare the relevant reports.
- (b) The Company has undertaken to the Hong Kong Stock Exchange that if it is aware or has reasons to believe that the independent non-executive Directors and/or auditor are unable to confirm that the relevant transactions comply with the Listing Rules and the restrictions under the waiver conditions, the Company must immediately notify the Hong Kong Stock Exchange. The Company may have to comply with the relevant requirements of the Listing Rules to disclose and obtain independent shareholders’ approval, or make corrections based on the instructions of the Listing Division of the Hong Kong Stock Exchange.
- (c) Independent non-executive Directors of the Company have reviewed and confirmed that all the continuing connected transactions of the Company or its subsidiaries involved in the year 2022 were:
 1. entered into in the ordinary and usual course of business of the Company or its subsidiaries;
 2. entered into on normal commercial terms; or where no comparisons are available, then under terms not inferior to those available from or to independent third parties of the Group; and
 3. entered into according to the terms of the agreements governing such transactions; on terms that are fair and reasonable and in the interest of the shareholders as a whole.

Report of the Directors *(continued)*

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

- (d) The Group's auditor has reviewed the continuing connected transactions (details of which are set out in Note X.6 to the financial statements), and confirmed to the Board that:
1. the transactions have been approved by the Board;
 2. terms of the agreement of the relevant transactions are attached to the connected transactions;
 3. the transactions were, in all material respects, in accordance with the pricing policies of the Group; and
 4. the aggregated amounts of the transactions have not exceeded the respective announced annual caps.

In addition, no Director has any interests in the material agreements.

No transactions, arrangements or contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director or Supervisor of the Company had a material interest, whether directly or indirectly, subsisted at the end of the reporting period or at any time during the reporting period.

Except for the connected transactions/related party transactions as disclosed in this report, there were no transactions, arrangements or contracts of significance between the Company or its subsidiaries and the controlling shareholder or any of its subsidiaries.

Saved as disclosed above, please refer to the Note X to the financial statements for the details of commodity sales and purchase, rendering of services and other related party transactions. In respect of each related party transaction disclosed in Note X.6 to the financial statements prepared in accordance with CAS, the Company confirms that it has complied with the disclosure requirements in accordance with Chapter 14A to the Listing Rules and other relevant requirements under the Listing Rules (if applicable).

BASIC INFORMATION OF USE OF PROCEEDS RAISED

Information on raising and depositing of proceeds previously raised

Public issuance of A Share convertible corporate bonds in 2020

Pursuant to the approval under the Reply in relation to Approval of Public Issuance of A Share Convertible Corporate Bonds of Zijin Mining Group Co., Ltd.* issued by the CSRC (Zhengjian Xuke [2020] No. 2613), the Company publicly issued A Share convertible corporate bonds with a total face value of RMB6,000,000,000.00 with a maturity of 5 years to the public through the Shanghai Stock Exchange in November 2020. The total amount of proceeds raised was RMB6,000,000,000.00. After deduction of underwriter and sponsor fee of RMB27,000,000.00, the actual subscription amount received of the convertible corporate bonds was RMB5,973,000,000.00; after deduction of solicitor fee, accountant fee, registration fee, credit rating fee, information disclosure fee and other issuance expenses of RMB4,486,970.48 and deductible value-added tax of sponsor fee, solicitor fee, accountant fee, registration fee, credit rating fee, information disclosure fee and other issuance expenses of RMB1,772,037.73 in total, the actual net proceeds raised was RMB5,970,285,067.25.

Ernst & Young Hua Ming LLP verified the deposit of the proceeds raised and issued Verification Report of Proceeds Raised in Public Issuance of Convertible Corporate Bonds of Zijin Mining Group Co., Ltd.* (Ernst & Young Hua Ming (2020) Yanzi No. 60468092_H01). The abovementioned proceeds raised of RMB5,970,285,067.25 was deposited into the Company's special account for proceeds raised in Industrial and Commercial Bank Shanghai Branch (account number: 1410030129002143672) on 9 November 2020. As at 31 December 2022, the outstanding balance of the proceeds raised from public issuance of A Share convertible corporate bonds in 2020 was RMB1.1142391 billion.

Report of the Directors *(continued)*

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

Use of proceeds raised

As at 31 December 2022, RMB4.9681525 billion of the proceeds raised from the issuance of the A Share convertible corporate bonds in 2020 had been invested in the projects to be invested by proceeds raised. The actual use of the proceeds raised by the Company in 2022 is as follows:

Breakdown	Amount (RMB billion)
Balance of proceeds raised in the special accounts as at 31 December 2021	1.4629642
Less: Invested in the projects to be invested by proceeds raised	0.4232142
Add: Interest income, exchange difference, bank charges deducted	0.0744891
Balance of proceeds raised in the special accounts as at 31 December 2022	1.1142391

Change in the actual project to be invested by proceeds raised

At the eleventh meeting of the seventh term of the Board and eleventh meeting of the seventh term of the Supervisory Committee convened on 11 April 2022 and the 2021 annual general meeting convened on 17 May 2022 of the Company, the proposal in relation to change in one of the projects to be invested by the proceeds raised was considered and approved. It was agreed to change the outstanding balance of the proceeds raised of "Kamoa-Kakula Copper Mine project of Kamoa Holding Limited in the DR Congo" of RMB0.770453 billion (including interest) to "Phase 1 underground mining project of the Aurora Gold Mine in Guyana". The implementation entity of the new project to be invested by the proceeds raised is AGM Inc. The sponsor of the Company, Essence Securities, issued the Verification Opinion on the Change in One of the Projects to be Invested by the Proceeds Raised of Zijin Mining Group Co., Ltd.* on 11 April 2022 and agreed with the above change in the project to be invested by proceeds raised.

For the actual use of the proceeds raised after change of project, please refer to Table of change in the project to be invested by proceeds raised.

Save as aforesaid, there was no change in the use of proceeds raised from the issuance of the A Share convertible corporate bonds in 2020 during the reporting period. There was no material changes or delays in the use of proceeds.

Report of the Directors (continued)

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

Companies table of the use of proceeds raised in the public issuance of A Share convertible corporate bonds in 2020

Unit: RMB billion

Committed investment project	Whether it is a changed project (including partial committed investment changes)	Total amount of proceeds raised for the project	Adjusted total investment amount	Amount of committed investment at the end of the reporting period (1)	Amount of proceeds invested in the current year	Accumulated amount of proceeds invested as at the end of the reporting period (2)	Difference between accumulated amount of proceeds invested as at the end of the reporting period and amount of committed investment (3) = (2)-(1)	Percentage of proceed invested as at the end of the reporting period (%) (4) = (2)/(1)	Total amount of proceeds raised used for the year	Total accumulated amount of proceeds raised used	Expected timeline for unutilised proceeds	Realised efficacy in 2022	Whether the expected efficacy is attained	Whether there is a substantial change in the feasibility of the project
Total amount of proceeds raised from the public issuance of A Share convertible corporate bonds in 2020														
Total amount of proceeds raised with change in usage during the reporting period														
Total accumulated amount of proceeds raised with change in usage														
Proportion of total amount of proceeds raised with change in usage														
							12.90%		5,970,285.1	0.770,453.0				0.423,214.2
									0.770,453.0					4,968,152.5
I. The Kamoa-Kakula Copper Mine project of Kamoa Holding Limited in the DR Congo	Yes (Note 1)	3,110,285.1	2,339,832.1	2,339,832.1	-	2,348,786.6	0.0089545	100.00	Not applicable (please refer to change in the actual project to be invested by proceeds raised)	End of May 2021	4,645,913.7	Yes (Note 3)	No	
II. Mining and processing project in the Upper Zone of the Timok Copper and Gold Mine of Serbia Zijin Mining Doo in Serbia (Note 2)	No	2.18	2.18	2.18	0.0744196	2.1935501	0.0135501	100.00	The remaining balance is expected to be fully utilised by 31 December 2023	Mid-October 2021	4,336,067.0	Yes (Note 4)	No	
III. Mining project in the Tongshan Mine of Heilongjiang Tongshan Mining Co., Ltd.	No	0.68	0.68	0.68	0.2627850	0.3398062	(0.3401938)	49.97	The remaining balance is expected to be fully utilised by 31 December 2025	End of the first quarter 2024	Not applicable	Not applicable (Note 5)	No	
IV. Phase 1 of underground mining project of the Aurora Gold Mine in Guyana (Note 1)	No	-	0.770453	0.770453	0.0860096	0.0860096	(0.6844434)	11.16	The remaining balance is expected to be fully utilised by 31 December 2025	July 2026	Not applicable	Not applicable (Note 6)	No	
Total		5,970,285.1	5,970,285.1	5,970,285.1	0.423,214.2	4,968,152.5	(1,002,132.6)	83.21						

Note 1: For the information on the changed project, please refer to "Change in the actual project to be invested by proceeds raised".

Note 2: Rakita Exploration d.o.o. Bor in Serbia was renamed Serbia Zijin Mining Doo.

Note 3: The Kamoa-Kakula Copper Mine project of Kamoa Holding Limited in the DR Congo has reached the designated usable stage in May 2021. In 2022, the project produced 3,335,000 tonnes of copper.

Note 4: The mining and processing project in the Upper Zone of the Timok Copper and Gold Mine of Serbia Zijin Mining Doo has reached the designated usable stage in October 2021. In 2022, the project produced 111 thousand tonnes of copper and 4.73 tonnes of gold.

Note 5: The mining project in the Tongshan Mine of Heilongjiang Tongshan Mining Co., Ltd. is currently under construction. The project is expected to be ready for designated usable stage by the end of the first quarter of 2024.

Note 6: Phase 1 of underground mining project of AGM Inc. is currently under construction. It is expected that it will reach the designated usable stage in July 2026.

Report of the Directors *(continued)*

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Table of change in the project to be invested by proceeds raised

Unit: RMB billion

Project after change	Total amount of proceeds raised proposed to be invested in the project after change	Amount of planned investment as at the end of the reporting period (1)	Amount of proceeds invested in the current year	Actual accumulated amount of proceeds invested (2)	Investment progress (%) (3)=(2)/(1)	Date of which the project will be ready for intended use	Expected timeline for unutilised proceeds	Realised efficacy in 2022	Whether the expected efficacy is attained	Whether there are substantial changes in the feasibility of the project after change
Corresponding original project										
Phase 1 of underground mining project of the Aurora Gold Mine in Guyana	0.7704530	0.7704530	0.0860096	0.0860096	11.16	July 2026	The remaining balance is expected to be fully utilised by 31 December 2025	Not applicable	Not applicable	No

Report of the Directors *(continued)*

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STAFF OF THE COMPANY AND ITS MAJOR SUBSIDIARIES AS AT THE END OF THE REPORTING PERIOD

(I) Staff

Number of current staff of the Company	2,317
Number of current staff of the major subsidiaries	46,519
Total number of current staff	48,836
Including: Staff of domestic enterprises	25,020
Staff of overseas enterprises	23,816
Including: Chinese staff of overseas enterprises	1,414
Number of retired staff at the Company and major subsidiaries' expense	671

Education level		Professional structure	
Classified by education level	Number	Classified by profession	Number of specialised staff
Doctoral degree	103	Production	12,634
Master's degree	1,364	Sales	621
Bachelor's degree	7,130	Technical	7,059
Other tertiary education	6,047	Finance	697
Secondary school or below	11,790	Administration	5,423
Total	26,434	Total	26,434

Notes:

1. The sub-categories of professional structure and education level include the staff of domestic enterprises and Chinese staff of overseas enterprises;
2. Administration staff refers to operational staff, administrative staff and supporting staff of functional departments other than technical staff.

(II) Remuneration policy

The Company insists on value creation. The Company has established mechanisms for employee promotion, salaries and benefits as well as mechanism to ensure salary raises will be commensurate with the Company's economic benefits and production rate. By providing salaries and benefits that are more competitive, stable financial position and career development of employees is realised and a highly-efficient team that outperforms market standards is built. Over the past five years, the compound annual growth rate of employees' remuneration has reached 10.8%.

The Company adopts different long-term incentive schemes, such as restricted A Share incentive scheme, enterprise annuity, deferred incentive salaries for executive Directors and chairman of the Supervisor Committee, etc. to motivate employees of the Company.

Report of the Directors *(continued)*

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(III) Training programme

With the requirement to raise the quality of all employees, the Company has established regular and targeted training programmes for 8 groups of employees from different levels of the business, namely the senior management of the Company, management of enterprises, internationalised talents, outstanding young talents, professional and technical talents, core staff at base level, industrial workers, and new hires.

The Company increases its efforts in training, carries out regular quarterly seminars for the Group's senior management, group trainings for outstanding youth talents, trainings for outstanding graduates, headquarters training for new hires, trainings for craftsmen, etc. The average satisfaction rate for training programmes throughout the year exceeded 90%. During the reporting period, two sessions of geology and mining professional training course were carried out, which were attended by the Company's managing cadres at level 3 or above. The Company has included the staff at the localities of the projects into the Zijin globalised talent nurturing system. A number of training projects were held to nurture global talents. Among which, 6 foreign staff were selected as outstanding youth talents in 2022, and 9 foreign staff were selected in the "Young Eagle Programme" and included in the list of key staff to be nurtured of the Group.

The Company has initiated a robust internal training to leverage organisational development resources. The number of internal tutors reaches 300. There are more than 500 professional training topics in 23 categories, covering geology, mining, processing, metallurgy, etc., which fully cover the Company's major businesses.

(IV) Outsourcing status

Total working hours of outsourcing services	The mine engineering work of the Group is outsourced and is measured by the unit of work performed
Total outsourcing payment	RMB5,830,103,359

DISCLOSURE OF INTERESTS AND SHORT POSITIONS OF THE DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE

As at 31 December 2022, 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); or (b) were required, pursuant to section 352 of the SFO to be recorded in 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") as set out in Appendix 10 of the Listing Rules, to be notified to the Company and the Hong Kong Stock Exchange are as follows:

Director	Class of shares	Nature of interest	Long/Short positions	Number of shares	Approximate percentage of shareholding in the same class of securities	Approximate percentage of shareholding in the total number of issued shares
Chen Jinghe	A Share	Personal	Long position	65,100,000	0.32%	0.25%
	H Share	Personal	Long position	20,000,000	0.35%	0.08%
	Total	Personal	Long position	85,100,000		0.32%
Zou Laichang	A Share	Personal	Long position	2,723,050	0.01%	0.01%
Lin Hongfu	A Share	Personal	Long position	1,728,938	0.01%	0.01%
Lin Hongying	A Share	Personal	Long position	977,000	0.01%	0.01%
Xie Xionghui	A Share	Personal	Long position	905,571	0.01%	0.01%
Wu Jianhui	A Share	Personal	Long position	510,000	0.01%	0.01%

Report of the Directors *(continued)*

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Supervisor	Class of shares	Nature of interest	Long/Short positions	Number of shares	Approximate percentage of shareholding in the same class of securities	Approximate percentage of shareholding in the total number of issued shares
Lin Shuiqing	A Share	Personal	Long position	300,000	0.01%	0.01%
Cao Sanxing	A Share	Personal	Long position	124,000	0.01%	0.01%
Liu Wenhong	A Share	Personal	Long position	26,450	0.01%	0.01%
	H Share	Personal	Long position	10,000	0.01%	0.01%
	Total	Personal	Long position	36,450		0.01%

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, which 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, required to be recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code. 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 in this report, no arrangement has been entered into between the Company or its holding company or its subsidiaries during any time in 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.

Changes in shareholding of the current Directors

Unit: Share

Name	Position	Number of shares held at the beginning of the year	Number of shares held at the end of the year	Increase/Decrease in the number of shares during the year	Reasons for changes
Chen Jinghe	Chairman	83,100,000	85,100,000	+2,000,000	Increase in individual shareholding
Wu Jianhui	Director	Not applicable	510,000	Not applicable	

Share Capital and Shareholders

Details of the Company's issued ordinary shares (with par value of RMB0.1 each) as at 31 December 2022 are set out in Note V.44 to the financial statements.

Report of the Directors *(continued)*

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

SHAREHOLDINGS OF TOP TEN SHAREHOLDERS

As at 31 December 2022, the Company has a total of 529,531 shareholders, of which 581 are H Shareholders and 528,950 are holders of domestic shares. Based on the approximate percentage of shareholding in the share capital, the shareholdings of the Company's top ten shareholders are as follows:

			Approximate percentage of shareholding in the total number of issued shares
Name of shareholders	Class of shares	Number of shares	
1. Minxi Xinghang State-owned Assets Investment Company Limited (Note 1)	A Share	6,083,517,704	23.11%
2. HKSCC Nominees Limited (Note 2)	H Share	5,721,549,630	21.73%
3. Hong Kong Securities Clearing Company Limited (Note 3)	A Share	1,842,799,251	7.00%
4. China Securities Finance Corporation Limited	A Share	691,190,770	2.63%
5. Perseverance Asset Management L.L.P. – Gaoyi Xiaofeng No. 2 Zhixin Fund	A Share	451,277,484	1.71%
6. China Foreign Economy and Trade Trust Co., Ltd. – Foreign Trade Trust – Gaoyi Xiaofeng Hongyuan Collective Fund Trust Scheme	A Share	317,056,602	1.20%
7. Abu Dhabi Investment Authority	A Share	163,268,932	0.62%
8. Perseverance Asset Management L.L.P. – Gaoyi – Xiaofeng No. 1 Foresight Securities Investment Fund	A Share	150,366,400	0.57%
9. National Social Security Fund 103	A Share	150,099,924	0.57%
10. National Social Security Fund 114	A Share	150,000,000	0.57%

Notes:

- 208,484,145 A Shares of the Company held by Minxi Xinghang State-owned Assets Investment Company Limited have to be transferred to National Council for Social Security Fund, the PRC, that part of the stock is frozen.
- HKSCC Nominees Limited held 5,721,549,630 H Shares 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 1,842,799,251 A Shares as a nominee, representing an aggregate of approximately 7% 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.

Report of the Directors *(continued)*

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SUBSTANTIAL SHAREHOLDERS

So far as the Directors are aware, as at 31 December 2022, the interests and short positions of shareholders (other than 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 recorded in 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 interested	Approximate percentage of shareholding in the total number of issued shares	Approximate percentage of shareholding in the total number of issued A Shares	Approximate percentage of shareholding in the total number of issued H Shares	Long/Short positions/Lending pool
Minxi Xinghang State-owned Assets Investment Company Limited	A Share	6,083,517,704	23.11%	29.54%	–	Long
Citigroup Inc.	H Share	593,212,681 (Note 1)	2.25%	–	10.34%	Long
Citigroup Inc.	H Share	5,529,527 (Note 1)	0.02%	–	0.09%	Short
Citigroup Inc.	H Share	547,440,330 (Note 1)	2.08%	–	9.54%	Lending pool
GIC Private Limited	H Share	459,620,000 (Note 2)	1.75%	–	8.01%	Long
State Street Bank & Trust Company	H Share	445,313,997 (Note 3)	1.69%	–	7.76%	Lending pool
BlackRock, Inc.	H Share	396,199,419 (Note 4)	1.50%	–	6.91%	Long
BlackRock, Inc.	H Share	942,000 (Note 4)	0.01%	–	0.02%	Short
Brown Brothers Harriman & Co.	H Share	345,575,957 (Note 5)	1.31%	–	6.02%	Long
Brown Brothers Harriman & Co.	H Share	345,575,957 (Note 5)	1.31%	–	6.02%	Lending pool
Schroders PLC	H Share	343,732,000 (Note 6)	1.31%	–	5.99%	Long
Van Eck Associates Corporation	H Share	325,253,537 (Note 7)	1.24%	–	5.67%	Long
VanEck ETF – VanEck Gold Miners ETF	H Share	297,234,000 (Note 8)	1.13%	–	5.18%	Long

Notes:

- (1) Citigroup Inc. held 593,212,681 H Shares (long position) (representing approximately 10.34% of the total issued H Shares), 5,529,527 H Shares (short position) (representing approximately 0.09% of the total issued H Shares) and 547,440,330 H Shares (lending pool) (representing approximately 9.54% of the total issued H Shares).

According to the disclosure of interest notice filed by Citigroup Inc. on 29 December 2022, the following interests were held by Citigroup Inc. in the following capacity:

Capacity		Number of shares
Interest of corporation controlled by Citigroup Inc.	Long position	45,772,351
	Short position	5,529,527
Approved lending agent	Long position	547,440,330

Report of the Directors *(continued)*

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

Name of controlled corporation	Address and place of incorporation	Name of controlling person	% control	Direct interest (Y/N)	Number of shares
Citicorp LLC	388 Greenwich Street, New York, NY 10013, USA	Citigroup Inc.	100.00	N Long position Short position	577,669,249 0
Citibank, N.A.	5800 S Corporate Place, Sioux Falls, SD 57108, Lincoln, USA	Citicorp LLC	100.00	Y Long position Short position	576,359,492 0
Citigroup Global Markets Holdings Inc.	388 Greenwich Street, New York, NY 10013, USA	Citigroup Inc.	100.00	N Long position Short position	13,973,597 5,529,527
Citigroup Financial Products Inc.	388 Greenwich Street, New York, NY 10013, USA	Citigroup Global Markets Holdings Inc.	100.00	N Long position Short position	13,973,597 5,529,527
Citigroup Global Markets Europe Finance Limited	Citigroup Centre, Canada Square, Canary Wharf, London, E14 5LB, England	Citigroup Financial Products Inc.	100.00	N Long position Short position	7,136,000 0
Citigroup Global Markets (International) Finance GmbH	Hardstrasse 201, Hofstrasse, Zurich CH-8005, Switzerland	Citigroup Global Markets Europe Finance Limited	100.00	N Long position Short position	7,136,000 0
Citigroup Global Markets Switzerland Holding GmbH	Baarerstrasse 14-16, Zug, 6300, Switzerland	Citigroup Global Markets Europe Finance Limited	100.00	N Long position Short position	7,136,000 0
Citigroup Global Markets Overseas Finance Limited	50/F, Champion Tower, Three Garden Road, Central, Hong Kong	Citigroup Global Markets Switzerland Holding GmbH	48.14	N Long position Short position	7,136,000 0
Citigroup Global Markets Overseas Finance Limited	50/F, Champion Tower, Three Garden Road, Central, Hong Kong	Citigroup Global Markets (International) Finance GmbH	51.86	N Long position Short position	7,136,000 0
Citigroup Global Markets Hong Kong Holdings Limited	50/F, Champion Tower, Three Garden Road, Central, Hong Kong	Citigroup Global Markets Overseas Finance Limited	100.00	N Long position Short position	7,136,000 0
Citigroup First Investment Management Limited	50/F, Champion Tower, Three Garden Road, Central, Hong Kong	Citigroup Global Markets Hong Kong Holdings Limited	100.00	Y Long position Short position	7,136,000 0
Citigroup Global Markets Hong Kong Limited	50/F, Champion Tower, Three Garden Road, Central, Hong Kong	Citigroup Financial Products Inc.	100.00	Y Long position Short position	0 601,527
Citigroup Global Markets Holdings Bahamas Limited	Citibank Buliding, 110 Thompson Blvd., Nassau, New Providence, Bahamas	Citigroup Financial Products Inc.	90.00	N Long position Short position	6,837,597 4,928,000
Citigroup Global Markets Limited	Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, England	Citigroup Global Markets Holdings Bahamas Limited	100.00	Y Long position Short position	6,837,597 4,928,000
Citicorp Banking Corporation	New Castle Corporate Commons, Operations One Bldg., One Penn's Way, New Castle, DE 19720, USA	Citigroup Inc.	100.00	N Long position Short position	1,569,835 0
Citibank (Switzerland) AG	Hardstrasse 201, Zurich, 8005, Switzerland	Citicorp Banking Corporation	100.00	Y Long position Short position	1,569,835 0
Citibank, N.A.	5800 S Corporate Place, Sioux Falls, SD 57108, Lincoln, USA	Citicorp LLC	100.00	N Long position Short position	1,309,757 0

Report of the Directors *(continued)*

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Name of controlled corporation	Address and place of incorporation	Name of controlling person	% control	Direct interest (Y/N)	Number of shares
Citibank Overseas Investment Corporation	New Castle Corporate Commons, Operations One Bldg., One Penn's Way, New Castle, DE 19720, USA	Citibank, N.A.	100.00	N Long position Short position	1,295,937 0
Citi Investments Bahamas Ltd.	Caves Corporate Centre Building No. 2, West Bay Street, Nassau, BAHAMAS	Citibank Overseas Investment Corporation	100.00	N Long position Short position	1,295,937 0
Citi Overseas Holdings Bahamas Limited	14 University Drive, N-1576, Nassau, Bahamas	Citi Investments Bahamas Ltd.	100.00	N Long position Short position	1,295,937 0
Citibank Holdings Ireland Limited	1 North Wall Quay, Dublin, Ireland	Citi Overseas Holdings Bahamas Limited	100.00	N Long position Short position	1,295,937 0
Citibank Europe plc	1 North Wall Quay, Dublin, Ireland	Citibank Holdings Ireland Limited	100.00	Y Long position Short position	1,295,937 0
Citicorp Trust South Dakota	5800 South Corporate Place, Sioux Falls, SD 57108, Lincoln, USA	Citibank, N.A.	100.00	Y Long position Short position	13,820 0

Further information in respect of derivative interests:

	Number of shares
Unlisted derivatives – Physically settled	Short position 588,600
Unlisted derivatives – Cash settled	Long position 2,954,000
	Short position 4,152,000

- (2) GIC Private Limited held 459,620,000 H Shares (long position) (representing approximately 8.01% of the total issued H Shares).

According to the disclosure of interest notice filed by GIC Private Limited on 2 June 2022, the following interests were held by GIC Private Limited in the following capacity:

Capacity	Number of shares
Investment manager	Long position 459,620,000

- (3) State Street Bank & Trust Company held 445,313,997 H Shares (lending pool) (representing approximately 7.76% of the total issued H Shares).

According to the disclosure of interest notice filed by State Street Bank & Trust Company on 20 December 2022, the following interests were held by State Street Bank & Trust Company in the following capacity:

Capacity	Number of shares
Approved lending agent	Long position 445,313,997

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	445,313,997

- (4) BlackRock, Inc. held 396,199,419 H Shares (long position) (representing approximately 6.91% of the total issued H Shares) and 942,000 H Shares (short position) (representing approximately 0.02% of the total issued H Shares).

Report of the Directors *(continued)*

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According to the disclosure of interest notice filed by BlackRock, Inc. on 4 January 2023, the following interests were held by BlackRock, Inc. in the following capacity:

Capacity	Number of shares
Interest of corporation controlled by BlackRock, Inc.	396,199,419
	Long position Short position 942,000

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	251 Little Falls Dr, Wilmington, DE 19808-1674	BlackRock, Inc.	100.00	N Long position	2,444,250
BlackRock Investment Management, LLC	251 Little Falls Dr, Wilmington, DE 19808-1674	Trident Merger, LLC	100.00	N Long position	254,000
BlackRock Investment Management, LLC	251 Little Falls Dr, Wilmington, DE 19808-1674	Trident Merger, LLC	100.00	Y Long position	2,190,250
BlackRock Holdco 2, Inc.	251 Little Falls Dr, Wilmington, DE 19808-1674	BlackRock, Inc.	100.00	N Long position Short position	393,755,169 942,000
BlackRock Financial Management, Inc.	251 Little Falls Dr, Wilmington, DE 19808-1674	BlackRock Holdco 2, Inc.	100.00	N Long position Short position	378,960,169 414,000
BlackRock Financial Management, Inc.	251 Little Falls Dr, Wilmington, DE 19808-1674	BlackRock Holdco 2, Inc.	100.00	Y Long position Short position	14,795,000 528,000
BlackRock Holdco 4, LLC	251 Little Falls Dr, Wilmington, DE 19808-1674	BlackRock Financial Management, Inc.	100.00	N Long position Short position	217,499,337 414,000
BlackRock Holdco 6, LLC	251 Little Falls Dr, Wilmington, DE 19808-1674	BlackRock Holdco 4, LLC	90.00	N Long position Short position	217,499,337 414,000
BlackRock Delaware Holdings Inc.	251 Little Falls Dr, Wilmington, DE 19808-1674	BlackRock Holdco 6, LLC	100.00	N Long position Short position	217,499,337 414,000
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	62,612,337 414,000
BlackRock Fund Advisors	400 Howard Street San Francisco, CA 94105, United States (California, USA)	BlackRock Delaware Holdings Inc.	100.00	Y Long position	154,887,000
BlackRock Capital Holdings, Inc.	251 Little Falls Dr, Wilmington, DE 19808-1674	BlackRock Financial Management, Inc.	100.00	N Long position	18,360,000
BlackRock Advisors, LLC	251 Little Falls Dr, Wilmington, DE 19808-1674	BlackRock Capital Holdings, Inc.	100.00	Y Long position	18,360,000
BlackRock International Holdings, Inc.	251 Little Falls Dr, Wilmington, DE 19808-1674	BlackRock Financial Management, Inc.	100.00	N Long position	143,100,832
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	143,100,832
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	7,691,102
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	7,691,102
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	7,691,102

Report of the Directors *(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 Holdco 3, LLC	251 Little Falls Dr, Wilmington, DE 19808-1674	BR Jersey International Holdings L.P.	100.00	N Long position	114,963,300
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	756,000
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	756,000
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	756,000
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	2,834,000
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	2,834,000
BlackRock (Singapore) Holdco Pte. Ltd.	20 Anson Road #18-01 079912 Singapore (Singapore)	BR Jersey International Holdings L.P.	100.00	N Long position	25,303,532
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	24,407,532
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	16,716,430
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	114,207,300
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	114,207,300
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	114,207,300
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	114,207,300
BlackRock Finance Europe Limited	12 Throgmorton Avenue. London, EC2N 2DL, United Kingdom (England & Wales, United Kingdom)	BlackRock Group Limited	100.00	N Long position	23,916,959
BlackRock (Netherlands) B.V.	Rembrandt Tower, 17th floor, Amstelplein, Amsterdam Netherlands (Amsterdam, Netherlands)	BlackRock Finance Europe Limited	100.00	Y Long position	11,564,000
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	2,450,000
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	58,000
BlackRock International Limited	Exchange Place One, 1 Semple Street, Edinburgh, EH3 8BL, United Kingdom (Scotland, United Kingdom)	BlackRock Group Limited	100.00	Y Long position	736,000

Report of the Directors *(continued)*

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Name of controlled corporation	Address and place of incorporation	Name of controlling person	% control	Direct interest (Y/N)	Number of shares
BlackRock Group Limited-Luxembourg Branch	35 A, avenue J.F. Kennedy L-1855 Luxembourg	BlackRock Group Limited	100.00	N Long position	89,496,341
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	89,496,341
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	77,142,341
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	77,142,341
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	12,314,000
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	4,651,961
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	5,250,998
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	4,651,961
BlackRock Life Limited	12 Throgmorton Avenue. London, EC2N 2DL, United Kingdom (England & Wales, United Kingdom)	BlackRock International Limited	100.00	Y Long position	58,000
BlackRock (Singapore) Limited	20 Anson Road #18-01 079912 Singapore (Singapore)	BlackRock (Singapore) Holdco Pte. Ltd.	100.00	Y Long position	896,000
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	40,000
BlackRock Asset Management Schweiz AG	Bahnhofstrasse 39 8001 Zurich, Switzerland (Switzerland)	BlackRock UK Holdco Limited	100.00	Y Long position	40,000
EG Holdings Blocker, LLC	251 Little Falls Dr, Wilmington, DE 19808-1674	BlackRock Investment Management, LLC	100.00	N Long position	254,000
Amethyst Intermediate, LLC	251 Little Falls Dr, Wilmington, DE 19808-1674	BlackRock Investment Management, LLC	100.00	N Long position	254,000
Aperio Holdings, LLC	251 Little Falls Dr, Wilmington, DE 19808-1674	Amethyst Intermediate, LLC	60.00	N Long position	254,000
Aperio Holdings, LLC	251 Little Falls Dr, Wilmington, DE 19808-1674	EG Holdings Blocker, LLC	40.00	N Long position	254,000
Aperio Group, LLC	2710 Gateway Oaks Drive, Suite 150N, Sacramento, CA 95833-3505	Aperio Holdings, LLC	100.00	Y Long position	254,000

Further information in respect of derivative interests:

	Number of shares
Unlisted derivatives – Cash settled	Long position 5,702,000

Report of the Directors *(continued)*

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- (5) Brown Brothers Harriman & Co. held 345,575,957 H Shares (long position) (representing approximately 6.02% of the total issued H Shares) and 345,575,957 H Shares (lending pool) (representing approximately 6.02% of the total issued H Shares).

According to the disclosure of interest notice filed by Brown Brothers Harriman & Co., Inc. on 24 October 2022, the following interests were held by Brown Brothers Harriman & Co. in the following capacity:

Capacity		Number of shares
Approved lending agent	Long position	345,575,957

- (6) Schroders Plc held 343,732,000 H Shares (long position) (representing approximately 5.99% of the total issued H Shares).

According to the disclosure of interest notice filed by Schroders Plc on 12 December 2022, the following interests were held by Schroders Plc in the following capacity:

Capacity		Number of shares
Investment manager	Long position	343,732,000

Further information in relation to interests of corporations controlled by Schroders Plc:

Name of controlled corporation	Address and place of incorporation	Name of controlling person	% control	Direct interest (Y/N)	Number of shares
Schroder Administration Limited	1 London Wall Place, London, GB	Schroders plc	100.00	N Long position	343,732,000
Schroder International Holdings Limited	1 London Wall Place, London, GB	Schroder Administration Limited	100.00	N Long position	343,732,000
Schroder Investment Management (Hong Kong) Limited	Level 33, Two Pacific Place, 88 Queensway, Hong Kong	Schroder International Holdings Limited	100.00	Y Long position	309,140,000
Schroder Investment Management (Singapore) Ltd.	138 Market Street, #23-01, CapitaGreen, Singapore 048946 (Singapore)	Schroder International Holdings Limited	100.00	Y Long position	28,164,000
Schroder Investment Management Limited	1 London Wall Place, London, GB	Schroder International Holdings Limited	100.00	Y Long position	1,410,000
Schroder Investment Management Limited	1 London Wall Place, London, GB	Schroder International Holdings Limited	100.00	N Long position	4,996,000
Schroder Investment Management North America Limited	1 London Wall Place, London, GB	Schroder Investment Management Limited	100.00	Y Long position	4,996,000
Schroders IS Limited	30 Coleman Street, London, EC2R 5AL, GB	Schroder International Holdings Limited	100.00	Y Long position	22,000

Further information in respect of derivative interests:

		Number of shares
Unlisted derivatives – Cash settled	Long position	846,000

- (7) VanEck ETF – VanEck Gold Miners ETF is managed by Van Eck Associates Corporation. Van Eck Associates Corporation is deemed to be interested in 325,253,537 H Shares (long position) (representing approximately 5.67% of the total issued H Shares)
- (8) VanEck ETF – VanEck Gold Miners ETF held 297,234,000 H Shares (long position) (representing approximately 5.18% of the total issued H Shares).

Report of the Directors *(continued)*

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Save as disclosed above and so far as the Directors are aware, as at 31 December 2022, 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 need to be notified 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 the register of members and other published information, the Directors consider that the Company has complied with the Listing Rules in relation to the requirement of minimum public float.

CHANGES IN SHARE CAPITAL

Table on changes in the number of shares

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	98,490,600	0.37	0	0	0	-800,000	-800,000	97,690,600	0.37
1. Shares held by the state	0	0	0	0	0	0	0	0	0
2. Shares held by state-owned legal persons	0	0	0	0	0	0	0	0	0
3. Shares held by other domestic shareholders	98,490,600	0.37	0	0	0	-800,000	-800,000	97,690,600	0.37
Including: Shares held by domestic non-state owned legal persons	0	0	0	0	0	0	0	0	0
Shares held by domestic natural persons	98,490,600	0.37	0	0	0	-800,000	-800,000	97,690,600	0.37
4. Foreign shareholding	0	0	0	0	0	0	0	0	0
Including: Shares held by overseas legal persons	0	0	0	0	0	0	0	0	0
Shares held by overseas natural persons	0	0	0	0	0	0	0	0	0
II. Shares not subject to trading moratorium	26,231,621,640	99.63	0	0	0	0	0	26,231,621,640	99.63
1. Renminbi-denominated ordinary shares	20,494,681,640	77.84	0	0	0	0	0	20,494,681,640	77.84
2. Domestic-listed foreign invested shares	0	0	0	0	0	0	0	0	0
3. Overseas-listed foreign invested shares	5,736,940,000	21.79	0	0	0	0	0	5,736,940,000	21.79
4. Others	0	0	0	0	0	0	0	0	0
III. Total number of shares	26,330,112,240	100	0	0	0	-800,000	-800,000	26,329,312,240	100

Information on changes in the number of shares

Due to resignation, 7 participants of the restricted A Share incentive scheme for 2020 of the Company no longer satisfied the stipulations relating to the participants in the conditions of grant. The Company thereby repurchased and cancelled 800,000 restricted A Shares granted but not yet unlocked held by the abovementioned 7 participants. The cancellation of the abovementioned restricted A Shares was completed on 17 January 2022 at the China Securities Depository and Clearing Company Limited Shanghai Branch.

Report of the Directors *(continued)*

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Specific information about the implementation of share repurchase during the reporting period

Unit: RMB billion

Name of the repurchase plan	Plan of repurchasing A Shares through centralised price bidding for employee stock ownership scheme or share incentive
Disclosure time of the repurchase plan	21 October 2022
Number of A Shares proposed to be repurchased and proportion to the total share capital (%)	58,823,529 (number of A Shares)/0.22% (the calculation is based on the upper limit of the amount of funds for the repurchase (i.e., RMB500 million) and the maximum repurchase price (i.e., RMB8.50 per A Share))
Proposed amount of funds for the repurchase	No less than RMB250 million (RMB250 million inclusive) and no more than RMB500 million (RMB500 million inclusive)
Proposed repurchase period	22 October 2022 to 22 October 2023
Use of the A Shares repurchased	To be used in the employee stock ownership scheme or share incentive of the Company
Number of A Shares repurchased	4,550,000
Number of A Shares repurchased to the proportion of the number of A Shares involved in employee stock incentive scheme (%) (if any)	Not applicable
Progress of the reduction of the number of A Shares held by the Company under the method of centralised price bidding	Not applicable

CORPORATE BONDS

Basic information on corporate bonds

Unit RMB billion

Name of bond	Abbreviation	Code	Date of issuance	Date of value	Date of maturity	Outstanding balance	Interest rate (%)	Payment of principal and interest	Listing place	Investor suitability arrangements (if any)	Transaction mechanism	Whether there is a risk of termination of listing and trading
2021 Corporate Bonds (the First Tranche) (Type Two) of Zijin Mining Group Co., Ltd.* publicly issued to professional investors	21 Zijin 02	188162.SH	1 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
2021 Corporate Bonds (the First Tranche) (Type One) of Zijin Mining Group Co., Ltd.* publicly issued to professional investors	21 Zijin 01	188161.SH	1 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 Second Tranche) of Zijin Mining Group Co., Ltd.* publicly issued to professional investors	21 Zijin 03	188495.SH	30 July 2021	3 August 2021	3 August 2026	2.0	3.1	Interest to be paid annually, principal to be repaid in full at maturity	Shanghai Stock Exchange		Publicly traded	No
2022 Corporate Bonds (the First Tranche) of Zijin Mining Group Co., Ltd.* publicly issued to professional investors	22 Zijin 01	185486.SH	4 March 2022	8 March 2022	8 March 2027	1.5	3.6	Interest to be paid annually, principal to be repaid in full at maturity	Shanghai Stock Exchange		Publicly traded	No
2022 Corporate Bonds (the Second Tranche) of Zijin Mining Group Co., Ltd.* publicly issued to professional investors	22 Zijin 02	185806.SH	24 May 2022	26 May 2022	26 May 2027	3.5	2.94	Interest to be paid annually, principal to be repaid in full at maturity	Shanghai Stock Exchange		Publicly traded	No

Report of the Directors *(continued)*

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Major accounting data and financial indicators as at the end of the reporting period of the Company for the past 2 years

Unit: RMB

Major indicators	2022	2021	Changes for the reporting period compared with the same period last year (%)	Reasons for the changes
Net profit attributable to owners of the parent after non-recurring profit or loss	19,531,070,917	14,680,534,183	33.04	Enhancement in profitability
Earnings before interest, tax, depreciation and amortisation	43,606,106,118	35,101,050,645	24.23	Enhancement in profitability
Current ratio	111.91%	93.56%	Increased by 18.35 percentage points	Adjustment to debt structure
Quick ratio	72.42%	55.18%	Increased by 17.24 percentage points	Adjustment to debt structure
Debt-to-asset ratio (%)	59.33	55.47	Increased by 3.86 percentage points	Adjustment to debt structure
EBITDA to total debts	0.24	0.30	-20.00	Increase in debt scale
Interest coverage ratio	8.46	10.37	-18.42	Increase in interest expenses
Cash interest coverage ratio	9.57	13.14	-27.17	Increase in interest expenses
EBITDA to interest coverage ratio	11.03	13.53	-18.48	Increase in interest expenses
Loan repayment rate (%)	100.00	100.00		
Interest repayment ratio (%)	100.00	100.00		

Report of the Directors *(continued)*

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

RESTRICTED A SHARE INCENTIVE SCHEME FOR 2020

For the purposes of further establishing and perfecting the Company's long-term incentive mechanism, attracting and retaining outstanding talents, fully mobilising the enthusiasm of the Company's employees, effectively aligning the interests of the shareholders, the Company and the operators, and keeping all parties focused on the Company's long-term development, the Company implements the restricted A Share incentive scheme for 2020 (the "Incentive Scheme"). The participants under the Incentive Scheme include the Directors, senior and middle-level management, senior technical personnel, outstanding youth talents, highly educated talents and other employees whom the Company considers to have a direct impact on the Company's operating results and future development. The number of the restricted A Shares to be granted under the Incentive Scheme to any one of the participants shall not exceed 1% of the total share capital of the Company as at the announcement date of the Restricted A Share Incentive Scheme for 2020 (Draft) (i.e., 17 November 2020).

The list of the participants under the first grant of the Incentive Scheme and allocation of the restricted A Shares are as follows:

Name	Position in the Company at the grant date (13 January 2021)	Total number of the restricted A Shares granted (million)	Approximate proportion of the total number of the restricted A Shares to be granted under the Incentive Scheme	Approximate proportion of the total share capital at the grant date (13 January 2021)
Chen Jinghe	Chairman	1.10	1.12%	0.0043%
Zou Laichang	President	1.10	1.12%	0.0043%
Lan Fusheng	Vice-chairman	0.75	0.76%	0.0030%
Lin Hongfu	Standing vice-president	0.75	0.76%	0.0030%
Lin Hongying	Vice-president	0.75	0.76%	0.0030%
Xie Xionghui	Vice-president	0.75	0.76%	0.0030%
Shen Shaoyang	Vice-president	0.75	0.76%	0.0030%
Long Yi	Vice-president	0.75	0.76%	0.0030%
Que Chaoyang	Vice-president	0.75	0.76%	0.0030%
Wu Honghui	Financial controller	0.75	0.76%	0.0030%
Jiang Kaixi	Chief engineer	0.75	0.76%	0.0030%
Zheng Youcheng	Secretary to the Board	0.75	0.76%	0.0030%
Other senior and middle-level management, core employees, outstanding youth talents, etc. (674 persons in total)		86.2806	87.60%	0.3400%
Reserved portion		2.51	2.55%	0.0099%
Total		98.4906	100.00%	0.3881%

The participants under the grant of the reserved portion of the Incentive Scheme were senior and middle-level management and core employees. The number of participants was 39, who were granted 2,510,000 restricted A Shares in total. The grant date was 15 November 2021.

Report of the Directors *(continued)*

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The validity period of the Incentive Scheme is from the date of registration of the restricted A Shares under the first grant to the date when all the restricted A Shares which have been granted to the participants are unlocked or repurchased and cancelled, and shall not exceed 72 months in any event.

The grant price of the restricted A Shares under the first grant is RMB4.95 per A Share, i.e., not lower than the nominal value of the shares, and not lower than the higher of: (1) RMB4.95 per A Share, being 60% of the average trading price of the Company's A Shares on the trading day preceding the date of the Announcement of the Restricted A Share Incentive Scheme for 2020 (Draft) (i.e. RMB8.24 per A Share); and (2) RMB4.54 per A Share, being 60% of the average trading price of the Company's A Shares in the last 20 trading days preceding the date of the Announcement of the Restricted A Share Incentive Scheme for 2020 (Draft) (i.e. RMB7.56 per A Share). Due to implementation of the profit distribution proposal of the Company for the year ended 31 December 2020, pursuant to the relevant provisions of the Measures for the Administration of Equity Incentives of Listed Companies and the Incentive Scheme, the grant price of the restricted A Shares under the reserved grant was adjusted from RMB4.95 per A Share to RMB4.83 per A Share.

As at 31 December 2022, the Company had no restricted A Shares that were not granted. Excluding the 1,940,000 restricted A Shares which are subject to repurchase and cancellation as certain participants under the Incentive Scheme no longer satisfied the stipulations relating to the participants in the conditions of grant, as at 31 December 2022, the number of unlocked restricted A Shares was 96,550,600, representing 0.37% of the total issued shares of the Company.

Further details of the Incentive Scheme are set out in Note XI to the financial statements.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

The Board confirmed that saved as disclosed in this report, neither the Company nor any of its subsidiaries purchased, sold, redeemed or wrote off any of the Company's listed securities for the year ended 31 December 2022.

AUDIT AND INTERNAL CONTROL COMMITTEE

The audit and internal control committee of the Board has reviewed the Group's annual results and financial report for the year ended 31 December 2022 and further discussed the auditing, internal control and financial reporting matters. The audit and internal control committee considers that the Group's annual results and financial report for the year ended 31 December 2022 is compliant with the applicable accounting standards and relevant laws and regulations and has made sufficient disclosure.

APPOINTMENT AND DISMISSAL OF AUDITOR

Unit: RMB million

		Currently appointed
Auditor in Mainland China		Ernst & Young Hua Ming LLP
Remuneration for auditor in Mainland China		13.98
Appointment term of the auditor in Mainland China		Renew once a year
Name of the certified public accountants of the audit firm in Mainland China		Xie Feng, Fu Sichun
	Name	Remuneration
Internal control auditor	Ernst & Young Hua Ming LLP	Already included in the audit fee

Report of the Directors *(continued)*

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SHARE OPTION SCHEME

As at the date of this report, the Company has neither granted nor agreed to grant options to any of its Directors, Supervisors, chief executive, substantial shareholders or their respective associates or the employees of the Company or its subsidiaries.

MAJOR SUPPLIERS AND CUSTOMERS

During the reporting period, approximately 75% of the Company's operating income was originated from customers in Mainland China, in which 29.51% was from the Shanghai Gold Exchange. Therefore, the Company was unable to sort customers in Mainland China by region.

Details of the Company's top five suppliers and top five customers are set out in "Management Discussion and Analysis" in this report. All transactions between the Company and the relevant suppliers and customers were entered into under normal commercial terms.

As far as the Directors are aware, none of the Directors, Supervisors, shareholders holding more than 5% equity interest of the Company or their respective associates (as defined in the Listing Rules) had any interest in the above top five suppliers and customers during the reporting period.

PRE-EMPTIVE RIGHTS

According to the articles of association of the Company and the laws of the PRC, there are no provisions for pre-emptive rights requiring the Company to offer new shares to its existing shareholders in proportion to their shareholdings.

BUSINESS REVIEW

A fair review of the business of the Group as well as a discussion and analysis of the Group's performance during the reporting period, including a discussion of the principal risks and uncertainties faced by the Group and an indication of likely future developments in the Group's business, can be found in the sections headed "Chairman's Statement", "Executive Summary", "Reserves and Resources", "Operations", "Management Discussion and Analysis" and "Report of the Directors" in this report.

For discussion on the Group's compliance with relevant laws and regulations that have a significant impact on the Group and the Group's environmental policies and performance, please refer to the sections headed "Management Discussion and Analysis" and "Sustainability" in this report.

Key relationships with employees, customers and suppliers

Details of the staff of the Group and the related remuneration policy and training programmes are set out in the section headed "Report of the Directors".

The Group maintains a good relationship with its customers. The Group continually provides excellent products with the most competitive price and best quality to customers, and optimises services in order to raise customers' level of satisfaction.

The Group maintains a good relationship with its suppliers. The Group persists in perfecting its procurement process and mechanism. The Group reinforces its management over suppliers, and insists on the business principles of integrity and trustworthiness to enhance communications with suppliers by all available means, with the goal of seeking mutual benefit and prosperity for all.

Report of the Directors *(continued)*

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ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The 2022 Environmental, Social and Governance Report of the Company is published on the same date as this annual report.

SERVICE CONTRACTS OF THE DIRECTORS AND SUPERVISORS

Each of the Directors and Supervisors has entered into a service contract with the Company respectively for a term of three years commencing on the date of their appointments and expiring on 29 December 2025. Pursuant to article 111 of the articles of association of the Company, the term of office for the Directors is three years, and subject to re-election and re-appointment. Under the Companies Law of the PRC, the term of office for the Supervisors is also three years, and subject to re-election and re-appointment. Remuneration of the Directors and Supervisors of the Company can be amended at shareholders' general meetings.

Saved as disclosed above, there are no service contracts entered into between the Company and any of the Directors or Supervisors which are not determinable by the Company within one year without payment of compensation (except statutory compensation).

DIRECTORS AND SUPERVISORS AND THEIR TERMS

During the reporting period and up to the date of this report, the Directors and Supervisors and their terms are as follows:

	Terms
Executive Directors:	
Chen Jinghe	From 30 December 2022 to 29 December 2025
Zou Laichang	From 30 December 2022 to 29 December 2025
Lin Hongfu	From 30 December 2022 to 29 December 2025
Lin Hongying	From 30 December 2022 to 29 December 2025
Xie Xionghui	From 30 December 2022 to 29 December 2025
Wu Jianhui	From 30 December 2022 to 29 December 2025
Lan Fusheng	Resigned on 29 December 2022
Non-executive Director:	
Li Jian	From 30 December 2022 to 29 December 2025
Independent non-executive Directors:	
He Fulong	From 30 December 2022 to 29 December 2025
Mao Jingwen	From 30 December 2022 to 29 December 2025
Li Changqing	From 30 December 2022 to 29 December 2025
Suen Man Tak	From 30 December 2022 to 29 December 2025
Bo Shao Chuan	From 30 December 2022 to 29 December 2025
Wu Xiaomin	From 30 December 2022 to 29 December 2025
Zhu Guang	Resigned on 17 June 2022
Supervisors:	
Lin Shuiqing	From 30 December 2022 to 29 December 2025
Cao Sanxing	From 30 December 2022 to 29 December 2025
Liu Wenhong	From 30 December 2022 to 29 December 2025
Qiu Shujin	From 30 December 2022 to 29 December 2025
Lin Yan	From 30 December 2022 to 29 December 2025
Fan Wensheng	Resigned on 29 December 2022
Xu Qiang	Resigned on 29 December 2022

None of the Directors intends to seek re-election at the forthcoming annual general meeting and has a service contract with the Company which is not determinable by the Company within one year without payment of compensation (except statutory compensation).

Report of the Directors *(continued)*

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

BRIEF BIOGRAPHY OF THE DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Brief biography of the Directors, Supervisors and senior management is set out in “Brief Biography of Directors, Supervisors, Senior Management and Company Secretaries” in this report.

MANAGEMENT CONTRACTS

Other than the service contracts of the Directors, the Company has not entered into any contract with any individual, firm or body corporate to undertake management or administration of the whole or any substantial part of any business of the Company during the reporting period.

PERMITTED INDEMNITY PROVISION

The Company has purchased indemnity insurance for the Directors. Apart from that, at no time during the reporting period and up to the date of this report, there was or is any permitted indemnity provision being in force for the benefit of any Directors of the Company or its associated company (whether made by the Company or otherwise).

DIRECTORS’ AND SUPERVISORS’ INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Saved as the service contracts of the Directors and Supervisors as disclosed above, there were no transactions, arrangements or contracts of significance to which the Company or its controlling company or its subsidiaries were a party to and in which a Director or Supervisor of the Company or an entity connected with a Director or Supervisor had a material interest, either directly or indirectly, subsisting at the end of the reporting period or at any time during the reporting period.

COMPETING BUSINESS

None of the Directors has an interest in any business apart from the Company’s business, which competes or is likely to compete, either directly or indirectly, with the Company’s business.

FINANCIAL ASSISTANCE AND GUARANTEES TO AFFILIATED COMPANIES

There is no financial assistance to affiliated companies of the Company, or guarantees given for facilities granted to affiliated companies of the Company which together in aggregate exceeds 8% under the assets ratio defined under rule 14.07(1) of the Listing Rules.

EQUITY-LINKED AGREEMENTS

The Company has not entered into any equity-linked agreement during the reporting period.

DEBENTURES

Details of debentures are set out in Note V.37 to the financial statements.

ACQUISITIONS, DISPOSALS AND MERGERS

Save as disclosed in Note VI to the financial statements, the Company has no other material acquisition, disposal or merger of subsidiaries, associates and joint ventures during the reporting period.

Report of the Directors *(continued)*

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

SIGNIFICANT INVESTMENTS

During the reporting period, none of the investments held by the Group accounted for 5% or more of the total assets of the Group. As at 31 December 2022, the Group did not have plan for material investments and capital assets.

CHANGES TO DIRECTORS' INFORMATION

There is no change in the Directors' information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY

During the reporting period, certain articles in the articles of association of the Company were amended. For details, please refer to the Company's announcements dated 18 March 2022 and 11 December 2022, notice dated 12 April 2022 and circular dated 12 December 2022.

RETAINED EARNINGS

Details of the Company's retained earnings as at 31 December 2022 are set out in Note V.50 to the financial statements.

ASSETS PLEDGED OR CHARGED OF THE GROUP

Details of the Group's pledged or charged assets as at 31 December 2022 are set out in Note V.70 to the financial statements.

CURRENCY AND INTEREST HEDGING POLICY

Details of the Group's currency and interest hedging policy for the year ended 31 December 2022 are set out in Note VIII.3 to the financial statements. During the reporting period, the Group used foreign currency forward contracts to manage currency risk. Details of the transactions are set out in Notes V.2, V.72 and VIII.3 to the financial statements.

Save as disclosed above, the Group does not have formal currency hedging policy and has not entered into any major foreign currency contracts or derivatives to hedge against foreign currency and interest rate risks.

FIXED ASSETS

Details of movements of the fixed assets of the Group for the year ended 31 December 2022 are set out in Note V.17 to the financial statements.

DISTRIBUTABLE RESERVES

Pursuant to the relevant laws and regulations, the Company's distributable reserves as at 31 December 2022 amounted to RMB34,369,996,152 (31 December 2021: RMB36,481,139,499).

BANK AND OTHER BORROWINGS

Details of the Group's bank and other borrowings are set out in Notes V.25, 35 and 36 to the financial statements.

CONTINGENT LIABILITIES

Details of contingent liabilities are set out in Note XII.2 to the financial statements.

Report of the Directors *(continued)*

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

DONATIONS

During the reporting period, the Group made charitable and other donations amounted to approximately RMB251 million (2021: RMB268 million).

TAXATION

The PRC's corporate income tax rate is 25%. Details of the Group's taxation are set out in Notes IV and V.66 to the financial statements.

TAX RELIEF AND EXEMPTION INFORMATION FOR DIVIDENDS TO SHAREHOLDERS

A Shareholders

Pursuant to the provisions of Notice on Issues Concerning Implementation of Differentiated Individual Income Tax Policy for Stock Dividends of Listed Companies (Cai Shui [2012] No. 85) (the "Notice") issued jointly by the Ministry of Finance, the State Taxation Administration and the CSRC, for shares of listed companies obtained by individuals from public offerings or the secondary market, where the holding period is less than one month (inclusive), the dividends shall be counted as taxable income in the full amount; where the holding period is more than one month and less than one year (inclusive), 50% of the dividends shall be counted as taxable income on a provisional basis; and where the holding period exceeds one year, 25% of the dividends shall be counted as taxable income on a provisional basis. The individual income tax rate of 20% shall be applicable for all incomes mentioned above. The individual income tax levied on stock dividends obtained by equity investment funds from listed companies is also calculated in accordance with the Notice.

Pursuant to the provisions of article 26.2 of the Enterprise Income Tax Law of the PRC, dividends, bonuses and other equity investment proceeds distributed between qualified resident enterprises shall be tax-free.

Pursuant to the provisions of article 83 of the Implementation Rules of Enterprise Income Tax Law of the PRC, dividends, bonuses and other equity investment income distributed between qualified resident enterprises as referred in article 26.2 of the Enterprise Income Tax Law of the PRC include those incomes obtained by resident enterprises from direct investment in other resident enterprises, excluding the income from holding the stocks of the resident enterprises that were obtained through public offering and had been traded on the stock market for less than 12 months on a continuing basis.

As per the Enterprise Income Tax Law of the PRC and the Implementation Rules of Enterprise Income Tax Law of the PRC, dividend income obtained by non-resident enterprises shall be levied at a preferential enterprise income tax rate of 10%.

H Shareholders

Pursuant to the provisions of Notice of the State Taxation Administration on Issues Concerning Individual Income Tax Collection and Management after the Repeal of Guo Shui Fa [1993] No. 045 (Guo Shui Fa [2011] No. 348), the dividend received by overseas resident individual shareholders from the shares issued by overseas non-foreign invested enterprises in Hong Kong is subject to the payment of individual income tax according to the items of "interest, dividend and bonus income", which shall be withheld by the withholding agents according to relevant laws. The overseas resident individual shareholders who hold the shares issued by overseas non-foreign invested enterprises in Hong Kong are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax agreements signed between their country of domicile and China or the tax arrangements between Mainland China and Hong Kong or Macau. The tax rate for dividends under the relevant tax agreements and tax arrangements is generally 10%, and for the purpose of simplifying tax administration, domestic non-foreign invested enterprises issuing shares in Hong Kong may, when distributing dividends, generally withhold individual income tax at the rate of 10%, and are not obligated to file an application. If the tax rate for dividends is not equal to 10%, the following provisions shall apply: (1) for citizens from countries which have entered into tax agreements/arrangements stipulating a tax rate of lower than 10%, the withholding agents will file applications on their behalf to seek entitlement of the relevant agreed preferential treatments, and upon approval by the tax authorities, the excess tax amounts withheld will be refunded; (2) for citizens from countries which have entered into tax agreements/arrangements stipulating a tax rate of higher than 10% but lower than 20%, the withholding agents will withhold the individual income tax at the agreed-upon effective tax rate when distributing dividends, and are not obligated to file an application; (3) for citizens from countries without tax agreements or who are under other situations, the withholding agents will withhold the individual income tax at a tax rate of 20% when distributing dividends.

Report of the Directors *(continued)*

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

Pursuant to the Notice of the State Taxation Administration on Issues concerning Withholding the Enterprise Income Tax on Dividends Paid by Chinese Resident Enterprises to H Share Holders which are Overseas Non-resident Enterprises (Guo Shui Han [2008] No. 897), a PRC resident enterprise, when distributing dividends for 2008 and for the years afterwards to H shareholders who are overseas non-resident enterprises, shall withhold the enterprise income tax at a flat rate of 10%.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this report, there is sufficient public float of more than 25% of the Company's issued shares as required under the Listing Rules.

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

Details of the Group's events after the reporting period are set out in Note XIII to the financial statements. Saved as disclosed in this report, there is no important event affecting the Group which has occurred after the reporting period.

By order of the Board of Directors

Chen Jinghe

Chairman

Shanghang, Fujian, the PRC

24 March 2023

Report of the Independent Directors

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

Zijin Mining Group Co., Ltd.* Report of the Independent Directors for 2022

In 2022, the independent directors (the “Independent Directors”) of Zijin Mining Group Co., Ltd.* (the “Company”) strictly complied with the Companies Law of the PRC, the Securities Law of the PRC, the Rules for the Independent Directors of Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and other relevant laws and regulations within and outside the PRC, conscientiously discharged the duties stipulated in the articles of association of the Company, Rules on Work for Independent Directors of the Company and other regulations and policies, and worked with good faith, diligence, loyalty and conscientiousness. The independent Directors considered the proposals of the Board meetings in an earnest manner and expressed independent opinions on major issues, effectively protected the overall interests of the Company and the lawful rights of minority shareholders; on the basis of in-depth understanding of the Company’s situation, the independent Directors made use of their professional knowledge and experience to give advice and suggestions on corporate governance and sustainable development, and strived to give full play to the independent role of Independent Directors.

Details of the discharge of duties as Independent Directors in 2022 are as follows:

I. BASIC INFORMATION ABOUT THE INDEPENDENT DIRECTORS

The Board of the Company consists of 13 members, including 6 Independent Directors. The Independent Directors of the seventh term of the Board of the Company comprised Mr. Zhu Guang, Mr. Mao Jingwen, Mr. Li Changqing, Mr. He Fulong, Mr. Suen Man Tak and Mr. Bo Shao Chuan, of which Mr. Zhu Guang resigned on 17 June 2022 upon the expiry of his six-year term as an Independent Director. On 30 December 2022, the Company completed the transition to the eighth term of the Board of the Company. Based on overall stability, the Company has further aligned with international ESG governance standards. A new female director joined the Board. The Independent Directors of the eighth term of the Board are Mr. He Fulong, Mr. Mao Jingwen, Mr. Li Changqing, Mr. Suen Man Tak, Mr. Bo Shao Chuan and Ms. Wu Xiaomin.

The Board of the Company has four specialised committees: the Strategic and Sustainable Development (ESG) Committee, the Execution and Investment Committee, the Audit and Internal Control Committee and the Nomination and Remuneration Committee. Except for the Execution and Investment Committee which is a standing executive and investment institution under the authority of the Board and of which members are executive Directors, all or most of the members of the other three committees are Independent Directors and non-executive Director. Among which, the chief officer and deputy chief officer of the Audit and Internal Control Committee and the chief officer of the Nomination and Remuneration Committee are Independent Directors. Following the international ESG governance concept, the Company completed the amendment to the Rules on Work for Independent Directors of the Company in 2022 and appointed a convener of Independent Directors, who is responsible for coordinating relevant meetings and research activities of the Independent Directors, so as to enhance the efficiency of communication between Independent Directors and the management and discharge their duties more efficiently.

Name of Independent Director	Strategic and Sustainable Development (ESG) Committee	Audit and Internal Control Committee	Nomination and Remuneration Committee
He Fulong	Member	Member	Chief officer
Mao Jingwen	Member	–	–
Li Changqing	–	Chief officer	–
Suen Man Tak	–	Member	Member
Bo Shao Chuan	Member	Member	Member
Wu Xiaomin	–	Deputy officer	–
Zhu Guang (<i>resigned</i>)	Member	Member	Chief officer

Report of the Independent Directors *(continued)*

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

The Company's Independent Directors have extensive work experience in various fields such as mining, capital finance, trade, law and risk control. Some of the Independent Directors have also been worked as senior managers in well-known enterprises in different countries and regions. The overall professional structure of the Independent Directors is reasonable. The Independent Directors have the required knowledge, skills and quality to discharge their duties. They are able to combine their professional expertise to make recommendations on major issues such as corporate strategies, standardised operations, major domestic and overseas investments and acquisitions, operation and management, internal control of risks, etc., forming balances within the Board. The decision-making of the Board of the Company has become more scientific and professional.

All Independent Directors of the Company possess the independence required by laws and regulations. They maintain objective and independent when they make professional judgement to discharge their duties. No Independent Directors hold positions in the Company other than members of the specialised committees of the Board of the Company. They have not obtained any additional, undisclosed benefits from the Company, its substantial shareholders or interested organisations and personnel.

II. DISCHARGE OF DUTIES DURING THE YEAR

(I) Attendance at meetings

In 2022, the Company convened 2 shareholders' general meetings, 25 Board meetings, 7 Audit and Internal Control Committee meetings and 3 Nomination and Remuneration Committee meetings. The Strategic and Sustainable Development (ESG) Committee convened a strategic development retreat meeting in January 2023 to study and discuss, among other things, the Company's three-year (2023-2025) plan and the outline of its 2030 development goals. The Independent Directors of the Company have attended the shareholders' general meetings, Board meetings and the meetings of the special committees of the Board in person or via telecommunication in accordance with the notices of the Board meetings and meetings of the special committees of the Board. During the year, the Independent Directors did not vote against or abstain from voting on various issues and other matters of the Board and its specialised committees, and did not propose to convene any extraordinary general meetings or Board meetings.

Number of meetings attended in person/Number of meetings ought to be attended

Name of Independent Director	Shareholders' general meeting	Board meeting	Specialised committees of the Board		
			Strategic and Sustainable Development (ESG) Committee	Audit and Internal Control Committee	Nomination and Remuneration Committee
He Fulong	2/2	24/25	1/1	7/7	3/3
Mao Jingwen	2/2	24/25	1/1	–	2/2
Li Changqing	2/2	22/25	1/1	7/7	–
Suen Man Tak	2/2	25/25	1/1	7/7	3/3
Bo Shao Chuan	2/2	25/25	1/1	7/7	1/1
Wu Xiaomin	1/1	1/1	1/1	–	–
Zhu Guang <i>(resigned)</i>	1/1	11/11	–	4/4	1/1

Notes:

1. Mr. Zhu Guang resigned on 17 June 2022 and ceased to serve on the specialised committees of the Board with effect from the same date.
2. Ms. Wu Xiaomin becomes an Independent Director of the Board and serves at the relevant specialised committee with effect from 30 December 2022.
3. "Number of meetings attended in person" includes on-site attendance and participation in meetings via telephone or video; all the Directors who were unable to attend the Board meetings or meetings of the special committees in person delegated other Directors to attend and vote on their behalf.

Report of the Independent Directors *(continued)*

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

(II) Issuance of independent opinions

- The Independent Directors of the Company seriously studied and expressed their pre-approval opinions on matters relating to the re-appointment of the annual auditor and connected transactions, which were considered by the Board during the reporting period. Details are as follows:

Number	Date	Matters involving pre-approval opinions of the Independent Directors
1	17 March 2022	Pre-approval opinion on the re-appointment of the auditor for 2022
2	7 July 2022	Pre-approved opinion on connected transaction
3	11 August 2022	Pre-approved opinion on connected transaction

- During the reporting period, the Independent Directors of the Company considered and expressed their consent independent opinions on the arrangements relating to hedging business, wealth management business, profit distribution, remuneration plan for the Directors and the Supervisors, use of proceeds raised, re-appointment of annual auditor, guarantees, provision for impairment on assets, major investment projects, connected transactions, issuance of convertible bonds, share repurchase, recommendation of Director candidates, appointment of senior management of the Company, etc. which had been considered at this Board in an earnest manner. Details are as follows:

Number	Date	Issues relating to independent opinions
1	14 January 2022	Independent opinion on the authorisation of commodity and foreign exchange derivatives hedging business for 2022; independent opinion on the commencement of wealth management for the year 2022; independent opinion on the proposal of Zijin Mining Investment (Shanghai) Co., Ltd. and others to commence financial business in 2022
2	18 March 2022	Independent opinion on 2021 Internal Control Evaluation Report; independent opinion on the Profit Distribution Proposal for the Year Ended 31 December 2021; independent opinion on the calculation and distribution proposal for the remuneration of the executive Directors and chairman of the Supervisory Committee of the seventh term for the year ended 31 December 2021; independent opinion on the approval of the remuneration of the vice-presidents, financial controller, secretary to the Board and chief engineer of the seventh term for the year ended 31 December 2021; independent opinion on the reappointment of auditor for the year ending 31 December 2022; independent opinion on Special Report on the Deposit and Actual Use of Proceeds in 2021; independent opinion on the arrangement of guarantees to the Company's subsidiaries in 2022; independent opinion on the provision for impairment on assets for the year 2021; independent opinion on the occupation of funds by connected parties and the Company's accumulative and current guarantees to external parties
3	11 April 2022	Independent opinion on the proposal in relation to change in one of the projects to be invested by the proceeds raised
4	28 April 2022	Independent opinion on the acquisition of an asset bundle consisting of four assets including the Lakkor Tso Salt Lake Lithium Mine in Tibet held by DunAn Group

Report of the Independent Directors *(continued)*

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

Number	Date	Issues relating to independent opinions
5	17 May 2022	Independent opinion on the appointment of senior management of the Company
6	8 July 2022	Independent opinion on connected transaction – capital increase and expansion of Zijin Copper Foil; independent opinion on change in accounting policies and amendments to the Company’s accounting system
7	13 August 2022	Independent opinion on provision for impairment of assets; independent opinion on Special Report on Deposit and Actual Use of Proceeds of the Company in the Half Year of 2022; independent opinion on the provision of financial services from Zijin Mining Group Finance Co., Ltd. to Fujian Zijin Copper Foil Technology Co., Ltd. and the connected transaction; independent opinion on the formulation of risk action plan of financial business of Zijin Mining Group Finance Co., Ltd. with connected parties
8	21 October 2022	Independent opinion on the Company’s proposed application for public issuance of A Share convertible corporate bonds for the year 2022 and the possible connected transactions involved; independent opinion on the Plan of Repurchasing A Shares Through Centralised Price Bidding for Employee Stock Ownership Scheme or Share Incentive
9	9 December 2022	Independent opinion on the nomination of non-Independent Director candidates for the eighth term of the Board of the Company; Independent opinion on the nomination of Independent Director candidates for the eighth term of the Board of the Company; independent opinion on the remuneration and assessment proposal of Directors and Supervisors of the eighth term; independent opinion on guarantees to the Company’s subsidiaries

(III) Discharge of duties at the specialised committees

The Independent Directors gave full play to their professional expertise in the relevant specialised committees to provide effective professional advice for discussion and decision making on major issues and to facilitate scientific decision-making by the Board.

1. Strategic and Sustainable Development (ESG) Committee

During the reporting period, the Strategic and Sustainable Development (ESG) Committee grasped the significant opportunities of development of the green metal, new energy and advanced material industries brought by new energy revolution caused by global warming, organised research and compiled the Company’s Outline of Three-Year (2023-2025) Plan and Development Goals for 2030, Guiding Opinion on the Work for Three Years (2023-2025), the Action Programme on Climate Change, the Plan on Deepening Reform of the Second Stage (2023-2025) and other programmatic documents. The Company has incorporated carbon peak and carbon neutral targets and the new energy and advanced material business as important components of its future development strategy.

Report of the Independent Directors *(continued)*

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

2. Audit and Internal Control Committee

During the reporting period, the Audit and Internal Control Committee insisted on receiving regular and non-periodic reports from the management on major issues such as the Company's production, operation, investing and financing activities, actively discharged its duties in accordance with the Implementation Rules of the Audit and Internal Control Committee, discussed the internal control and risk management system with the management, communicated and exchanged views with the accounting firm on annual audit matters, supervised and evaluated the work of the auditor, reviewed and issued review opinions on the annual, half-year and quarterly reports of the Company. At the same time, the Audit and Internal Control Committee convened two closed-door meetings of the Independent Directors during the year to listen to the views and recommendations from the auditor on the Company's risk matters, formed the Opinion Letter on Management, Internal Control Reminder Letter, etc., and urged the Company's management to reply on or resolve the issues by the deadline, effectively enhancing the level of the Company's standardised operation.

3. Nomination and Remuneration Committee

During the reporting period, Mr. Zhu Guang, who served as an Independent Director of the Company for six years, ceased to be an Independent Director of the Company in accordance with the laws and resigned from the position of chief officer of the Nomination and Remuneration Committee. The Board elected Mr. He Fulong, an Independent Director, as the chief officer of the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee took the lead in organising and implementing the end-of-term assessment and annual performance assessment and evaluation of the seventh term of the Directors and Supervisors; proposed remuneration plan for the executive Directors, chairman of the Supervisory Committee and the senior management of the Company based on the Company's external business environment and operating results for the year, and submitted them to the Board and the shareholders' general meeting for consideration; actively promoted the establishment of a fully market-oriented assessment mechanism, and highlighted the sustainable development and ESG performance requirements in the remuneration appraisal plan, established accountability and clawback mechanisms to better motivate the Directors, Supervisors and senior management of the Company to take an active role and sense of responsibility.

(IV) Multiple channels to understand the day-to-day operation and management of the Company

During the reporting period, the Independent Directors of the Company insisted on understanding the production and operation of the enterprise through multiple channels. They carefully reviewed the Company's regular reports, announcements, research results from intermediary agencies and other relevant materials. They also engaged in on-site communication, telephone and email conversations, and actively communicated with other Directors, secretary to the Board and relevant staff of the Company. They listened to management reports and obtained timely information on regulatory trends in both the PRC and Hong Kong, as well as the global mining industry landscape, the Company's production and operations, internal controls and financial status. The Independent Directors objectively and impartially examined the Company's decision-making on investment and operations management. They also paid attention to media reports about the Company on television, newspapers, internet, and other media outlets. These enabled them to obtain relevant information about the Company in a timely manner and ensure a comprehensive understanding of the relevant information of its operations.

The Company has taken proactive steps to facilitate effective cooperation with the Independent Directors, which include designating the secretary to the Board and staff of the Board Office to coordinate with the Independent Directors, providing them with relevant materials and information in a timely manner, and regularly informing them about the Company's operations. Thus, Independent Directors were provided with the necessary conditions to discharge their duties. Additionally, at the request of the Independent Directors, the management of the Company took the initiative to report on issues of concern or risks raised by the Directors at the Board meetings.

These series of measures have increased transparency in the Company's operations and management, while strengthening a healthy communication mechanism between the Company's management and the Board. As a result, Independent Directors can make better scientific decisions and discharge their duties more efficiently.

Report of the Independent Directors *(continued)*

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

III. WORK ON KEY ISSUES

(I) Connected transactions

During the reporting period, the Independent Directors conducted prior investigations into the connected transactions between the Company and the connected parties and considered that the principles of fairness, openness and impartiality were complied with, the connected parties enjoyed their rights and performed their obligations in accordance with the provisions of the contracts, there were no circumstances under which the interests of the Company and the investors were prejudiced and no transfer of interests through such transactions was identified.

In 2022, the Independent Directors expressed independent opinion on: the proposal in relation to provision of financial services from Zijin Mining Group Finance Co., Ltd. to Fujian Zijin Copper Foil Technology Co., Ltd. and the connected transaction. They considered that the aforesaid connected transaction was in compliance with the provisions of the Company Law, the Securities Law, other relevant laws, regulations and the articles of association of the Company, and there were no circumstances which prejudiced the interests of the Company and all shareholders, especially those of the minority shareholders; the proposal in relation to connected transaction – capital increase and expansion of Zijin Copper Foil. They were of the view that the aforesaid connected transaction was in line with the development needs of Fujian Zijin Copper Foil Technology Co., Ltd. and was conducive to the Company's development in the advanced material industry, the consideration of the connected transaction was fair and reasonable, the approval procedures performed were in compliance with the relevant laws and regulations and the articles of association of the Company, and was in the interests of the Company and all shareholders; the proposal in relation to formulation of risk action plan of financial business of Zijin Mining Group Finance Co., Ltd. with connected parties, they were of the view that the risk management plan was conducive to the safety of the Company's capital, and the plan was adequate and feasible and could effectively prevent, control and mitigate the risks of the Company's financial business with its connected parties in a timely manner. There were no circumstances that under which the interests of the Company and its minority shareholders were prejudiced.

(II) Adjustments to the Directors and senior management

The Independent Directors studied and considered the matters relating to the adjustments to the Directors and senior management of the Company and were of the view that the Company's nomination procedures for Directors and senior management were in compliance with the relevant provisions of the Company Law and the articles of association of the Company, the relevant new Directors and senior management met the job qualifications stipulated in the laws, regulations and the articles of association of the Company.

(III) Provision for guarantees and fund occupation

As at 31 December 2022, the accumulated balance of guarantees actually given by the Company amounted to RMB42,852,235,634 (of which, the balance of guarantees given to its wholly-owned and non-wholly owned subsidiaries amounted to RMB41,231,003,234), representing 48.18% of the Company's audited net assets attributable to owners of the parent for the year 2022. There were no overdue guarantees. During the reporting period, the Company's decision-making procedures in respect of the accumulated and current guarantees were in compliance with the relevant laws and regulations and the articles of association of the Company, and there were no circumstances under which the interests of the Company and its shareholders were prejudiced.

(IV) Use of proceeds raised

With the approval of the CSRC, the Company issued A Share convertible corporate bonds to the public in November 2020. The net amount of proceeds raised amounted to RMB5,970,285,067.25. The proceeds were deposited in special accounts. As at 31 December 2022, the Company had accumulatively used RMB4,968,152,500 of the proceeds and the balances in the special accounts totalled RMB1,114,239,100. The management and use of the Company's proceeds raised in 2022 did not involve any changes in the use of proceeds, occupation or misappropriation of proceeds raised that were in violation of the relevant laws and regulations and the Company's Measures for the Use of Proceeds, and were in the interests of the Company and all shareholders.

Report of the Independent Directors *(continued)*

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

(V) Grant of the reserved portion and repurchase under the restricted A Share incentive scheme

During the reporting period, the Company repurchased and cancelled 1,140,000 restricted A Shares granted to 13 participants but not yet unlocked under the incentive scheme. The repurchase plan and the consideration procedures were lawful, compliant, necessary and feasible, and were in the interests of the Company and all shareholders.

(VI) Estimated operating results and preliminary results announcements

In 2022, the Company published the Announcement on Estimated Increase in Operating Results for the Year 2021 and Announcement on Estimated Increase in Operating Results for the First Half of 2022. The disclosure procedures of the Company's estimated increase announcements were in compliance with the relevant regulations, and there were no material differences between the financial data and indicators involved and the actual data and indicators disclosed in the periodic reports.

(VII) Appointment or change of auditor

The Company has re-appointed Ernst & Young Hua Ming LLP as the Company's financial reporting auditor and internal control auditor for the year 2022. Ernst & Young Hua Ming LLP is qualified to act as the financial auditor and internal control auditor, and has the appropriate professional knowledge and ability to discharge its duties. The appointment procedures were lawful and compliant. There were no circumstances under which the interests of the Company and its shareholders were prejudiced.

(VIII) Cash dividend and other investor returns

The Company's profit distribution plan for 2021 was a distribution of a cash dividend of RMB2 per 10 shares (tax included) to all shareholders, the total amount of cash dividend distributed was RMB5.266 billion (tax included), representing 33.60% of the net profit attributable to owners of the parent for the year. The profit distribution plan for 2021 not only ensured the continuity and stability of the Company's profit distribution policy, but also took into account the long-term interests of the Company, the overall interests of all shareholders and the sustainable development of the Company. It complied with the relevant provisions on cash dividends in the articles of association of the Company and No. 3 Guideline for the Supervision of Listed Companies – Cash Dividend Distribution of Listed Companies.

(IX) Performance of undertakings of the Company and shareholders

In 2022, there were no violations of performance of undertakings by the Company and its shareholders.

(X) Implementation of information disclosure

In 2022, the Independent Directors continued to pay attention to the information disclosure of the Company, and urged the Company to fulfill its information disclosure obligations in a true, accurate and complete manner in accordance with the relevant domestic and overseas regulations and the Company's policies so as to ensure that shareholders have equal access to information, help shareholders understand the Company's situation in a timely manner and protect the lawful interests of shareholders in a practical manner. The Company has been awarded the highest rating of Grade A by the Shanghai Stock Exchange for its outstanding performance in information disclosure among the companies listed in Shanghai for the year 2021 to 2022. This is the eighth time the Company received this award, which fully recognised the Company's outstanding performance in information disclosure quality, governance, standardised operation and investor relations management.

(XI) Implementation of internal control

The overall operation of the Company's internal control system for the year 2022 was good. The Company's corporate governance, production and operation, information disclosure and other significant matters were carried out in accordance with the provisions of the Company's various internal control systems.

Report of the Independent Directors *(continued)*

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

IV. NO OBSTACLES DURING THE DISCHARGE OF DUTIES

In 2022, all Independent Directors were able to obtain timely and effective access to important operational information of the Company, their right to information was fully protected. They were able to discharge their duties without any interference or hindrance. All the Independent Directors discharged their duties diligently, provided many opinions and made suggestions on various matters which were constructive to the shareholders and the Company as a whole, including but not limited to corporate governance, global operation, deepening reform, sustainable development, risk management, connected transactions and internal control. In the decision-making process, they focused on safeguarding the interests of the Company and all shareholders, especially paid attention to and protect the lawful interests of the minority shareholders. The Company actively adopted or responded to the opinions provided or suggestions made by the Independent Directors.

V. OVERALL EVALUATION AND OUTLOOK FOR THE WORK

In 2022, all Independent Directors of the Company demonstrated a stringent compliance with the relevant laws, regulations, the articles of association and Rules on Work for Independent Directors. They upheld principles of objectivity, impartiality, and independence to thoroughly understand the Company's production and operation information in a timely manner. They also seriously reviewed proposals from various meetings, financial reports, and other documents submitted by the Company. At the same time, they actively participated in professional trainings to enrich and update their knowledge and skills to ensure that they can better discharge their duties and responsibilities and make scientific decisions.

In 2023, all Independent Directors of the eighth term of the Board of the Company will continue to actively discharge their duties as Independent Directors, give full play to their professional strengths, fully play the roles as Independent Directors, protect the lawful rights and interests of all shareholders, especially those of the minority shareholders, further promote the Company's standardised operation and sustainable development, and contribute to the Company's ambitious goal of building a highly adaptable global operation and management system and realising the magnificent goal of becoming "a green, high-tech, leading global mining company" as soon as possible.

Zijin Mining Group Co., Ltd.*
Independent Directors: He Fulong, Mao Jingwen, Li Changqing
Suen Man Tak, Bo Shao Chuan, Wu Xiaomin

24 March 2023

Report of the Supervisory Committee

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

Zijin Mining Group Co., Ltd.* Report of the Supervisory Committee for 2022

To all Shareholders,

In 2022, under the proper leadership of the Company's Party Committee and the active support and cooperation of the Board and the Company's management, the Supervisory Committee of the Company continuously optimised the corporate governance, innovated the mechanism on supervision and management, independently and effectively discharged various supervisory duties in compliance with laws and regulations and fully protected the lawful interests of the Company and the shareholders in strict compliance with the provisions stipulated in the relevant laws and regulations including the Company Law of the PRC (the "Company Law"), the articles of association of the Company and the Meeting Procedures of the Supervisory Committee. The Supervisory Committee completed various tasks satisfactorily. It was awarded the 2022 Best Practice Award for the Supervisory Committee of Listed Companies by the China Association for Public Companies.

I. MAJOR WORK OF THE SUPERVISORY COMMITTEE

(I) Conscientiously organised and participated in various kinds of meetings

1. The Supervisory Committee meetings were organised in a compliant and orderly manner. During the reporting period, the Supervisory Committee convened 4 regular meetings and 3 extraordinary meetings in total. It considered 25 proposals regarding significant matters including the Company's periodic financial reports, proposal in relation to the public issuance of A Share convertible corporate bonds of the Company, etc. The Supervisory Committee meetings were convened strictly in accordance with the procedures stipulated in the articles of association of the Company, the Meeting Procedures of the Supervisory Committee, etc., and all members of the Supervisory Committee were able to fully express their views and opinions. The relevant information of the meetings was disclosed in a timely manner in accordance with the requirements of the CSRC, the Shanghai Stock Exchange and the Hong Kong Stock Exchange. For details of convention of the Supervisory Committee meetings, please refer to the Summary table on the Supervisory Committee meetings for the year 2022 set out in the appendix.
2. The Supervisors actively attended the Company's relevant meetings. In 2022, the Company's Supervisors attended 7 meetings of the Audit and Internal Control Committee of the Board, participated in the review of the Company's interim, annual and quarterly financial statements and provided suggestions on management. At the same time, through attending the Board meetings, Execution and Investment Committee meetings, work meetings of the Executive Office, etc., the Supervisors studied the Company's operation and management status through listening to or reviewing relevant information of the Company and its subsidiaries including the financial reports, reports on production and operation, reports on internal supervision and inspection, etc., participated in discussion and accordingly expressed their opinions on important decision-makings and major personnel changes of the Company. Through such measures, the Supervisors fully understood the Company's process of making important decisions, stayed informed about the Company's production, operation and management status, and discharged the right-to-know, supervision and inspection functions of Supervisors conscientiously.

Report of the Supervisory Committee

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

(II) Conscientiously discharged the responsibilities of supervision

1. The Company's Supervisors proactively fulfilled the responsibilities of supervision. Pursuant to the stipulations of the relevant laws and regulations including the Company Law and the articles of association of the Company, the Supervisors supervised on major issues including the Company's operation in compliance with laws, financial position, acquisitions, connected transactions, repurchase and cancellation of restricted A Shares granted to certain participants under the restricted A Share incentive scheme for 2020 and adjustment of repurchase price and other significant matters, and issued independent opinions according to the results of supervision. In this regard, it could be ensured that the Company operated in compliance with laws and regulations and carried out information disclosure in a timely, accurate and complete manner.
2. The Supervisory Committee consistently improved the work performance assessment system. Based on the experience gained from constant conclusion of work performance assessment in the past, the Supervisory Committee further strengthened the supervision and assessment on the discharge of duties of the Directors, senior management of the Company and the directors, supervisors and senior management of the subsidiaries. The Supervisory Committee put emphasis on the consideration process regarding significant issues, and supervised if all proposals were in line with the interests of the shareholders and the Company and the execution progress of the resolutions. It also participated in the annual Board assessment on the Company's Directors and senior management in discharging their duties, and the discharge of duties of the subsidiaries' directors, supervisors and senior management.
3. The Supervisors carried out in-depth investigation and research. Through visiting and researching on the Company's subsidiaries, the Supervisors stayed informed and kept track of the important operating and management activities of the enterprises in a timely manner. Concerned about the sustainability and potential risks of the enterprises, the Supervisors summarised the difficulties faced by the subsidiaries during their development and provided reasonable suggestions and risk warnings to the decision-makers and management of the Company, based on the findings of their investigation and research in a timely manner. It played a role in promoting the sustainable and healthy development of the enterprise.

(III) Strengthened leadership on supervisory work

The Supervisory Committee of the Company kept up with the pace of the Group's global development and formulated policy statements on business ethics management and whistle-blowing management based on the laws, culture and business practices of the host countries or regions. It continued to strengthen the leadership of the Group's supervision system, deeply promoted the reform of the supervision system, revised the Internal Supervision System, Internal Audit Management Regulations and other system documents, and strived to build a supervision system that is adaptable to the global operation system. It has established an internal supervision system combining business supervision and dedicated supervision, strengthened pre-supervision, improved post-supervision, actively and moderately participated in process supervision, established a working mechanism combining stationed supervision and mobile supervision, and strengthened information-based supervision methods.

In 2022, the Supervisory Committee focused on key fields, key links and sensitive positions, and strengthened the development of risk systems and supervision systems. It strengthened supervision and empowerment, organised the compilation or revision of 19 supervision work systems; gave full play to the role of the inspection, organised the on-site inspection work of 3 subsidiaries including Xinjiang Jinbao; strictly supervised discipline enforcement and accountability, accepted 75 reports and complaints, inspected various management issues and more than 9 cases of violations of regulations and disciplines, and held 3 persons accountable; carried out the "Zijin with Integrity" brand building activities and published 8 typical cases on the Company's intranet; focused on daily supervision, carried out 26 audit, research and special inspection projects, and urged and guided 41 subsidiaries to carry out internal control self-examination and to rectify defects.

Report of the Supervisory Committee

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(IV) Strengthen the development of supervision system and taskforce

Combined with the work of the Supervisory Committee, Supervisory Committee members studied the relevant laws and regulations and obtained knowledge in finance, corporate internal control, etc. in a persistent manner to continuously improve their ability to discharge their duties. The Company's Supervisory Committee strengthened the development of its own supervision system and taskforce, perfected the assessment and inspection mechanism for the selection and appointment of supervisory units, and improved the overall quality of supervisory personnel. It strengthened the internal management of the supervision system, strictly implemented the work standards of supervisory personnel, and improved the system of accountability for supervisory dereliction of duty.

II. REVIEW OPINIONS OF THE SUPERVISORY COMMITTEE ON RELEVANT MATTERS OF THE COMPANY

1. Operation of the Company in compliance with laws and regulations. During the reporting period, the Company operated in compliance with the provisions stipulated in the relevant laws and regulations including the Company Law and the articles of association of the Company. The procedures of decision-making were in accordance with laws and regulations. The resolutions of the shareholders' general meetings and the Board meetings were implemented effectively, and the Company's internal control system was basically sound and complete. The Company's Directors and senior management discharged their duties diligently. There were no violations of the Company Law and other relevant laws and regulations as well as internal management regulations including the articles of association of the Company, or any other actions which could prejudice the interests of the shareholders and the Company.
2. Inspection on the financial reports of the Company. During the reporting period, the Company's financial system was sound and complete, and the financial operating status was satisfactory. The Company strictly followed the Accounting Standards for Business Enterprises, accounting standards and requirements of other relevant financial regulations to operate. The Company's periodic financial reports reflected the financial position and operating results of the Company in a truthful, fair and complete manner. The information stated in the reports did not contain any false records, misleading statements or material omissions. The Company's 2022 annual financial report was audited by Ernst & Young Hua Ming LLP, and an auditor's report with a standard unqualified opinion was issued.
3. Mergers and acquisitions of assets by the Company. During the reporting period, the Company followed the market principle for the mergers and acquisitions of assets. The decision-making procedures complied with the laws and regulations. The Supervisory Committee carried out on-going supervisions on the relevant activities and no insider dealing or behaviour which could prejudice the interests of the shareholders of the Company and lead to a loss of the Company's assets was found.
4. Connected transactions of the Company. During the reporting period, the Company strictly followed the relevant regulatory rules on connected transactions and terms of agreements to execute connected transactions. The decisions for the connected transactions were made carefully, the procedures of which were lawful and regulated, the transaction processes were equal and just, the outcomes of the transactions were fair, and no insider dealing or circumstance which would prejudice the interests of the shareholders and the Company was found.
5. Repurchase and cancellation of restricted A Shares of certain participants and adjustment of repurchase price under the restricted A Share incentive scheme for 2020. The Supervisory Committee was of the view that: the matters in relation to the Company's repurchase and cancellation of certain restricted A Shares of the participants under the incentive scheme complied with the stipulations and requirements of the Measures for the Administration of Equity Incentives of Listed Companies, the restricted A Share incentive scheme for 2020 and the relevant laws and regulations, in line with the interests of all shareholders of the Company and the participants. The consideration procedures for the repurchase and cancellation of the restricted A Shares were in compliance with the relevant regulations and were lawful and valid. The Company's funds used for share repurchase were all from its self-own funds, which did not have any material impact on the Company's financial status and operating results, did not affect the diligence of the Company's management team and core personnel, and did not prejudice the interests of the Company and all the shareholders.

Report of the Supervisory Committee

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6. Public Issuance of A Share convertible corporate bonds of the Company. The purposes of public issuance of A Share convertible corporate bonds are maintaining continuous and stable development of the Company, securing the smooth implementation of the Company's project plans and broadening the financing channels of the Company. Pursuant to the Company Law, the Securities Law of the PRC (2019 Amendments) (the "Securities Law"), the Administrative Measures on the Issuance of Securities by Listed Companies (2020 Amendments) (the "Administrative Measures") and the Detailed Implementation Rules of the Shanghai Stock Exchange for Issuance of Convertible Corporate Bonds of Listed Companies (2018 Amendments) (Shang Zheng Fa [2018] No. 115) issued by the CSRC and other relevant laws, regulations and regulatory documents, the Supervisory Committee conducted examinations item by item and careful verification on the Company's actual status and the relevant issues in accordance with the relevant qualifications and conditions for public issuance of A Share convertible corporate bonds of listed companies. The Supervisory Committee considered that the Company met the various provisions and requirements for public issuance of A Share convertible corporate bonds of listed companies according to the stipulations in the relevant laws, regulations and regulatory documents, and the Company met the conditions for public issuance of A Share convertible corporate bonds.
7. Review status of internal control evaluation report. After carefully reviewing the Company's 2021 Internal Control Evaluation Report, the Supervisory Committee of the Company was of the view that the report complies with the relevant provisions of the "Basic Standards for Enterprise Internal Control" and "Guidelines for Evaluation of Enterprise Internal Control". The Company has established an effective internal control system and strengthened internal control. The internal control system is more optimised. The establishment of the internal control system has played a better role in risk prevention and control for the Company's production and operation management, ensuring the orderly and effective development of the Company's various business activities and safeguarding the interests of the Company and its shareholders. The report can objectively, accurately and completely reflect the actual situation of the Company's internal control, and no false record, misleading statement or material omission were found. The Supervisory Committee agreed with the Company's 2021 Internal Control Evaluation Report.

III. THE KEY ROADMAP FOR THE WORK IN 2023

2023 is a critical stage for the Company to become "a green, high-tech, leading global mining company". The goal of the Group's supervision and anti-corruption work is: under the guidance of the spirit of the 20th National Congress of the Communist Party of China and Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and the unified leadership of the Group's Party Committee to fully implement strict governance of the Party, strict management of enterprises and anti-corruption work, centre on the master work directive of "improving quality, reducing costs, boosting profitability", constantly improve the supervision mechanism, strengthen the effectiveness of supervision, optimise the supervision method and establish a supervision system with Zijin characteristics that adapts to international development, so as to escort for the Group's high-quality and sustainable development.

1. **Focus on the main business and ensure the implementation of the Group's strategy.** The Supervisory Committee shall promote the supervision work more proactively within the overall blueprint of the Group's development, regard the implementation of the master work directive of "improving quality, reducing costs, boosting profitability" as an important content of political supervision, and further pay attention to the implementation of various key tasks, key measures, key policies and key requirements. Efforts shall be made to make political supervision more specific, precise and normalised, and play the "five cards" of inspection, audit, internal control, supervision and integrity education. **First**, it shall improve inspection methods and highlight problem orientation. The supervision and audit department shall work with the business, legal affairs, finance and other departments to carry out all-round comprehensive inspections on the subsidiaries, fully implement "improving quality, reducing costs, boosting profitability" and conduct "political + economic" dual examination on the legal and compliance, safety and environmental protection, ESG, supervision, anti-corruption and other work. **Second**, it shall deepen audit and supervision and move the audit gate forward. This requires strengthening audit work during the project and at the middle stage of projects, from project approval to completion, through collaboration among the business departments, construction departments and related departments, and moving the gate forward. It is crucial to urge the construction units and responsible departments to investigate and reform any issues immediately. Investment cost control of construction projects shall be promoted, so that early intervention and cost control can be achieved. **Third**, it shall strengthen the concept of risk control and prevent major risks, supervise and urge the management personnel at all levels to implement the principle of "managing risks is a must for the work of management", carry out risk awareness education and promotion on a regular basis, regularly organise and carry out supervision and inspection on the implementation of the risk management system

Report of the Supervisory Committee

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every year, and strengthen checking on the risk operation mechanism of business departments and the internal control system operation of subsidiaries to prevent major risks. **Fourth**, it shall strengthen the supervision on work style. Work style and corruption shall be rectified together. This requires enhanced supervision for certain management personnel on their work style issues, such as “deep-pocketed style”, “blindly following Western practices” for certain management personnel, avoiding and finding excuses for problem-solving in difficult situations and losing Zijin striving spirit by management cadres. To achieve this, it shall make full use of supervision tools, create clear channels for supervision and whistleblowing for work style issues, and ensure that employees at all levels have access to effective supervision channels. The Company shall conduct open and unannounced visits; identify and publicly expose typical problems related to work style; dig into the root of the problems by the combination inspections, audits and special checks; and find the clues of corruption and work style problems by interviews and democratic assessments. By taking these steps, a good political ecology for working and doing business can be created. **Fifth**, it shall enrich the means of education and build a clean and honest ecology. The Group shall formulate the Guidelines for Integrity Education Work, standardise and institutionalise the promotion of integrity education, regulate the target audience, participation rate, frequency, etc.; make good use of the integrity quality bred by the red land and Zijin’s hard-working entrepreneurial spirit to educate all Zijin people, make integrity culture education lively; it shall connect with international festivals and the relevant international conventions, and use the international media to transmit Zijin’s integrity culture.

2. **Focus on key elements to ensure targeted supervision.** It is necessary to keep a close eye on key people, key events and key areas, improve the supervision system to make it cover all directions, ensure that all businesses and powers are operated under supervision, and improve the pertinence and effectiveness of supervision. **First**, it shall focus on the “key minority” and create a fully-covered “supervision network”. It shall highlight and strengthen the supervision on the “key minority”, “top leaders” and the management, shall always be the key targets of supervision. All supervisory forces and resources shall be directed towards the “key minority”, scientific and standardised authorisation, development of systems, processes and standards, make good use of conversation before working in the position and ordinary integrity reminders to let the power be used openly. **Second**, it shall focus on the “vast majority” and repeat the strict rules clearly and concisely. It is necessary to target the “key minority” to motivate the “vast majority”, and instill the strict tone, strict measures and strict atmosphere level by level, so that all cadres and staff can feel that supervision is close to them. It shall also firmly establish the concept that “the corrupt one will be caught”, motivating all staff to follow established rules and regulations. The sense of supervision shall be extended to relevant collaborators to demonstrate Zijin’s uncompromising determination to punish corruption and uphold disciplines. **Third**, it shall focus on “key areas” and “firewall” building. It shall further strengthen the daily supervision on sensitive areas and sensitive business links such as construction projects, financial management, procurement and tender, recruitment and appointment, effectively strengthen the prevention and control of integrity risks, highlight the use of systems to manage personnel and affairs, and refine the approval and supervision process for key matters. It is necessary to strengthen problem analysis, research and judgement, and fix system loopholes for positions, projects and links that are prone to problems, strengthen follow-up and implementation, and continue to focus on audits, inspections and special reviews.

Report of the Supervisory Committee *(continued)*

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

- 3. Focus on deepening reforms and effectively form a joint supervision force.** **First**, it shall benchmark against international standards and promote the reform and upgrading of the supervision system, promote the second phase of reform of the supervision system to actively adapt to the pace of the Company's global operation and management system development. It shall strengthen the research on international supervision systems, actively learn from advanced supervision and management experience of the world's first-class enterprises, and comprehensively establish and practise the concept of international and strong supervision. **Second**, it shall clarify the duties and cooperation matters to ensure precise positioning of dedicated supervision. It is necessary to further promote the "respective duties" of business supervision and dedicated supervision, respectively refine the "two lists" of business supervision and dedicated supervision responsibilities, and further clarify their boundaries. It shall further optimise the "seamless connection" between dedicated supervision and business supervision, the business and supervision departments shall break the departmental barriers, set up joint working groups according to key business plans, jointly carry out audits, internal control tests and special inspections, and smoothen the information communication mechanism to promote the formation of an efficient supervision work pattern featuring overall planning of forces, coordination of pace, complementary advantages, and sharing of resources. **Third**, it shall create a favourable environment and improve the error tolerance, correction of error, incentives and shouldering of responsibilities. We must not only use supervision to increase pressure, but also use trust to increase power, so as to create a good environment for stimulating the intrinsic motivation of entrepreneurship of cadres and employees. The strategic goal of the Group is also the target and direction of the supervision work. It shall resolutely hold those who commit frauds, dereliction of duties and disrupting management order accountable. While strengthening accountability, it shall also encourage innovation and take on additional responsibilities, further improve the development of the error tolerance and correction mechanism, and implement initiatives to "distinguish intentional discipline violations from the unintentional errors resulting from trial run, performing experiments and promoting development at three levels". Rather than placing disproportionate blames on people, it shall will foster a culture so that people are willing to take responsibility, dare to take responsibility and capable to take responsibility.
- 4. Focus on the ability to perform duties and achieve an overall improvement in quality.** **First**, it shall strengthen the awareness of supervision service. Supervision personnel shall further enhance their awareness of supervisory responsibilities. Focusing on the Group as a centre and serving for the overall blueprint of the Group are the fundamental work principles for performing supervisory functions. From discovering problems to being capable of solving problems, from holding post-event accountability to prevention before incidents happen, by exerting the supervision force to the base level, moving the gate of supervision forward and participating in system and process development, it can provide supervisory services and serve with supervision, so as to make the Company's operation and management more scientific and standardised. **Second**, it shall strengthen the force, means and support, explore the establishment of regional convener mechanism in business-concentrated areas or project locations, realise the combination of ordinary supervision and the Group's key supervisions at the areas, and develop the cross-supervisory working method of effective stationed supervision and mobile supervision. **Third**, it shall strengthen the nurture of professional supervision capability. The supervision system shall regularly organise business seminars, case summaries and business professional trainings to comprehensively improve the professional capabilities of supervision personnel; further train the personnel through case study, real inspections and real cases, and let the supervision personnel shoulder more responsibilities so that they can grow rapidly in real battle. **Fourth**, it shall strengthen the responsibility for performance of duties. As the supervision personnel hold the power of supervision and accountability, they must establish and practise "righteous people first upright themselves. It takes good iron to make good products". Supervision personnel not only shall conduct themselves honourably, but they shall also refine themselves to be as strong as iron.

Appendix: Summary table on the Supervisory Committee meetings for the year 2022 of the Company

Report of the Supervisory Committee *(continued)*

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

Appendix

Zijin Mining Group Co., Ltd.* Summary table on the Supervisory Committee meetings for the year 2022

Number	Session	Date	Venue	Matters discussed and resolutions passed
1	The tenth meeting of the seventh term of the Supervisory Committee	14 March 2022	Conference room, 19/F., the Company's headquarters in Shanghang and conference room, 41/F., the Company's Xiamen Branch	Resolutions passed: Report of the Supervisory Committee of the Company for 2021, proposal in relation to provision for impairment on assets for the year 2021, proposal on recognition of asset obsolescence loss of the parent company, the Company's 2021 annual report and its summary report, the Company's financial report for the year ended 31 December 2021, the Company's profit distribution plan for the year ended 31 December 2021, 2021 Internal Control Evaluation Report of the Company, 2021 Environmental, Social and Governance Report of the Company, Special Report on the Deposit and Actual Use of Proceeds in 2021 of the Company
2	The eleventh meeting of the seventh term of the Supervisory Committee	11 April 2022	Conference room, 19/F., the Company's headquarters in Shanghang and conference room, 41/F., the Company's Xiamen Branch	Resolutions passed: First quarterly report 2022 of the Company, proposal in relation to the change in one of the projects to be invested by the proceeds raised
3	The first extraordinary meeting in 2022 of the seventh term of the Supervisory Committee	8 July 2022	Conference room, 19/F., the Company's headquarters in Shanghang	Resolution passed: Proposal in relation to the changes in accounting policies
4	The twelfth meeting of the seventh term of the Supervisory Committee	12 August 2022	Conference room, 19/F., the Company's headquarters in Shanghang	Resolutions passed: 2022 interim report of the Company and its summary report, proposal in relation to provision for impairment on assets, 2022 Half-year Report on the Deposit and Actual Use of Proceeds

Report of the Supervisory Committee *(continued)*

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

Number	Session	Date	Venue	Matters discussed and resolutions passed
5	The thirteenth meeting of the seventh term of the Supervisory Committee	21 October 2022	Conference room, 19/F., the Company's headquarters in Shanghang	Resolutions passed: Third quarterly report 2022 of the Company, proposal in relation to the satisfaction of the conditions for the public issuance of A Share convertible corporate bonds of the Company, proposal in relation to the plan of the public issuance of A Share convertible corporate bonds for the year 2022, Feasibility Report on the Use of Proceeds Raised in the Public Issuance of A Share Convertible Corporate Bonds for the Year 2022, proposal in relation to recovery measures and undertakings by relevant parties in relation to dilutive impact on immediate returns on the public issuance of A Share convertible corporate bonds, proposal in relation to the Rules for A Share Convertible Corporate Bondholders' Meetings, proposal in relation to possible connected transaction – subscription of A Share convertible corporate bonds by the relevant connected persons of the Company
6	The second extraordinary meeting in 2022 of the seventh term of the Supervisory Committee	18 November 2022	By telecommunication	Resolution passed: Proposal in relation to the repurchase and cancellation of the restricted A Shares granted to certain participants under the restricted A Share incentive scheme for 2020 and the adjustment of repurchase price
7	The third extraordinary meeting in 2022 of the seventh term of the Supervisory Committee	9 December 2022	Conference room, 19/F., the Company's headquarters in Shanghang and conference room, 41/F., the Company's Xiamen Branch	Resolution passed: Proposal in relation to the nomination of Supervisor candidates for the eighth term of the Supervisory Committee

Sustainability

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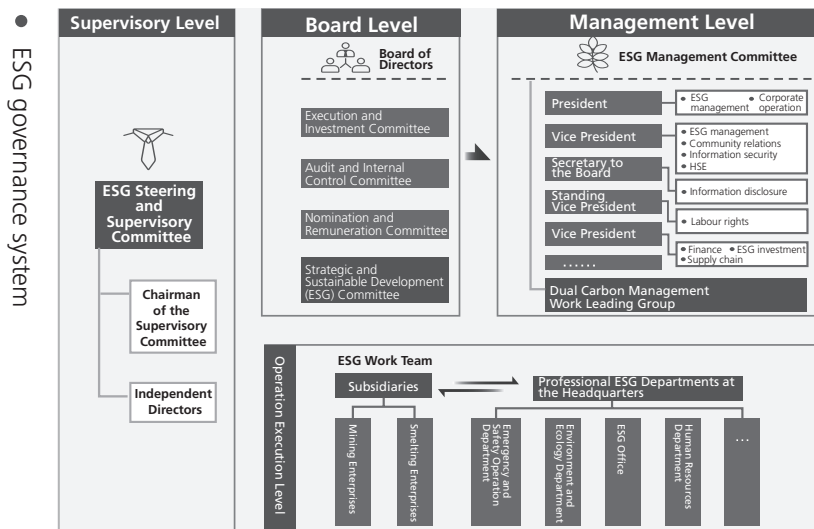
ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

The Company has fully incorporated ESG concepts and standards into its corporate operations and management practices. It actively implements ESG practices which are recognised by stakeholders, comprehensively establishes an ESG system with Zijin characteristic that aligns with United Nations Sustainable Development Goals (SDGs), strives to create values for shareholders, customers, employees, communities, the environment and collaborators, builds a responsible image of a multinational mining company, and contributes Zijin’s strength to the sustainable development of the global community of shared future for humanity. The Company’s ESG practices and social value created have been widely recognised by the places where its projects operate and by all sectors of the society.

During the reporting period, the Company received China Red Cross Dedication Medal, Hong Kong Outstanding Listed Enterprises “Outstanding ESG Enterprise”, LinkedIn “Attractive Employer for Global Graduates”, Bloomberg Business Week/Chinese Edition “ESG Leading Enterprise Award”, etc. The domestic and overseas ESG ratings of the Company continuously improved.

S&P Corporate Sustainability Assessment 2022 of global mining companies

	Zijin Mining’s score	Ranking among global mining companies	Average score of global mining companies	Best score of global mining companies	Weight
Overall performance of the Company/industry	54	Top 12%	27	83	100%
Governance and economic dimension	52	Top 17%	33	87	33%
Environmental dimension	57	Top 10%	26	86	32%
Social dimension	54	Top 12%	24	81	35%



Sustainability *(continued)*

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ESG governance system

The Company benchmarks the United Nations Sustainable Development Goals (SDGs) and has established a top-down ESG management structure with Zijin characteristics led by the Board of Directors and an ESG executive team which covers the globe. Focusing on its own strategic goals and corporate culture, the Company has clarified the positioning of its five sustainable development goals. It has formulated ESG strategic goals, and formed an ESG targets/indicator system to guide the direction and practice of the Company's ESG efforts. In accordance with the Corporate Code of Conduct and guided by ESG policies, standards, guidelines and process documents, the Company embeds ESG concepts into all-round business operations such as procurement, sales, human resources, engineering, supervision, etc. to form a "green, safe and sustainable" ESG work system. The Company continuously improves standardisation and transparency of ESG disclosure, prepares ESG reports in alignment with Global Reporting Initiative (GRI) standards, and Action Programme on Climate Change in alignment with Task Force on Climate-Related Financial Disclosures (TCFD).

Environmental protection

The Company adheres to the ecological and environmental protection concept of "lucid waters and lush mountains are invaluable assets", carries out environmental management throughout the full life cycle of mines, fully establishes an environmental management system based on ISO 14001, and develops green mines with the high global standards. During the reporting period, the Company invested RMB1.467 billion in ecological and environmental protection. At present, the Company has 13 national-level green mines, 5 national-level green factories, 1 provincial-level green mine, 5 provincial-level green factories and 1 national mine park.

Production safety

The Company regards the realisation of "zero work-related fatality and zero occupational disease" as the goal of its work, takes safety risk management as the core of its work, and strengthens the investigation and rectification of potential safety hazards. Throughout the year 2022, safety management system assessments were conducted for a total of 15 subsidiaries. The Company organised 13 group-level safety trainings, safety training for incumbent staff were attended by 449.4 thousand times in total. The Company actively promotes "the use of mechanisation, automation and unmanned intelligence to replace and reduce human labour", promotes the construction of smart mines and digital mines, and robustly improves the intrinsic safety level. During the reporting period, the Company invested a total of RMB2.123 billion on production safety. As at the end of the reporting period, a total of 38 in-production mining, refining and processing subsidiaries obtained ISO 45001 certification, with a certification coverage of 95%.

Community prosperity

With adherence to the tenet of "mining for a better society", the Company shares the fruits of economic development with the surrounding communities where its projects are located, and strives to realise common development and prosperity. The Company values the voices of the community residents where its projects are located. A total of 778 community meetings were held during the year. The Company also actively plans, formulates and implements community development projects, as well as invests in community infrastructure to improve local transportation, education, health, environment, safety, medical care and other basic conditions based on the voices of community stakeholders. Besides, the Company prioritises the implementation of local procurement, explores the development potentials of local unique and traditional industries, enhancing the competitiveness of local industries. During the reporting period, the Company's social contribution totalled RMB51.012 billion, of which tax contribution amounted to RMB13.018 billion, and community contributions amounted to RMB477 million. The procurement of local goods and services generated from mining activities accounted for 65.2% of the total procurement (excluding raw material procurement), effectively promoting the development of the economy and social prosperity in the places where our projects are located. The Company has carried out social responsibility work with Zijin characteristics in several project locations. Taking the Río Blanco Copper Mine in Peru as an example, the subsidiary has successively carried out a series of community work such as public welfare lectures in the Piura community, environmental protection public welfare and assistance programme at the schools nearby.

Sustainability *(continued)*

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I. ENVIRONMENTAL INFORMATION

Whether environmental protection related mechanism is established	Yes
Investment in environmental protection during the reporting period (unit: RMB billion)	1.467

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

During the reporting period, a total of 24 branch companies (subsidiaries) of the Company in the PRC were identified as key pollutant discharge units by the ecological and environmental administrative authorities.

1. Information on pollutant discharge

During the reporting period, the Company's key pollutant discharge units in the PRC strictly complied with the national and regional pollutant discharge standards and requirements, and daily monitoring and recording of pollutants were well conducted. For details of the environmental information of the key pollutant discharge units, please refer to Table 1: Information on pollutant discharge of key pollutant discharge units in 2022 of this report.

2. Construction and operation of pollution prevention and controlling facilities

During the reporting period, the Company operated and maintained pollution prevention and controlling facilities in compliance with ecological and environmental management requirements, ensured that the environmental protection facilities operated synchronously with production facilities, and established management ledgers of environmental protection facility operation which recorded key parameters of pollution prevention and controlling facilities. Industrial wastewater, dust and smelting flue were effectively treated and then discharged up to standard. The wastewater reuse rate reached 94%. Solid waste and hazardous waste were disposed of in accordance with the laws and regulations of the local ecological and environmental administrative authorities and the environmental impact assessment reports. A total of RMB696 million was invested in environmental protection facilities and equipment upgrades throughout the year, focusing on the implementation of drainage water reduction system project of Urad Rear Banner Zijin, exhaust gas desulphurisation system transformation project of Bayannur Zijin, comprehensive resource recycling project of Heilongjiang Zijin Copper, Red Lake wastewater treatment system for the JM Mine of Serbia Zijin Copper, etc.

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

During the reporting period, each of the new, upgrade and expansion projects of the branch companies (subsidiaries) implemented environmental impact assessment system in strict accordance with the requirements of the Law on Environmental Impact Assessment. 22 projects received environmental impact assessment approvals, and 15 projects passed environmental acceptance check (for details of the implementation, please refer to Table 2: Implementation of environmental impact assessment and "three simultaneous" regulation in 2022 of this report).

During the reporting period, clean production audits were carried out in strict accordance with the Cleaner Production Promotion Law of the People's Republic of China and the requirements of the regional clean production authorities. Luoning Zijin Gold Refinery Co., Ltd., the Zijinshan Copper and Gold Mine, Wuping Zijin Mining Co., Ltd., Qinghai West Copper Co., Ltd., Wenshan Malipo Zijin Tungsten Group Co., Ltd., etc. completed a new round of clean production audit and acceptance check.

Sustainability *(continued)*

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

4. Emergency plans for the outbreak of environmental incidents

Pursuant to the relevant laws and regulations of the countries where the operations are located and actual situation, based on production process, pollutant-generating procedures as well as environmental risks, the Company and its subsidiaries formulate various kinds of special emergency plans, all of which are filed to the local ecological and environmental administrative authorities in accordance with the relevant regulations. The emergency plans for environmental incidents are revised and reviewed from time to time according to the on-site working situation. An emergency headquarters for environmental emergencies has been set up, with corresponding emergency facilities and material reserves equipped. A total of nearly 80 environmental emergency drills were carried out throughout the year, effectively enhancing the ability to prevent and deal with environmental emergencies and reducing environmental risks.

5. Environmental self-monitoring programme

Each subsidiary has formulated an environmental self-monitoring programme in accordance with the requirements of pollutant discharge permits. They also regularly organised and conducted self-monitoring work, entrusted qualified third-party testing agencies to monitor pollutant discharge concentrations and environmental quality, all testing results of which are in compliance with the standards. At the same time, the original monitoring records are saved and uploaded to the national platform in a timely manner as required. Automatic monitoring equipment for pollutant discharge are installed at major exhaust gas and wastewater discharge outlets, which are linked with the monitoring devices of the ecological and environmental administrative authorities, enabling real-time dynamic monitoring.

6. Administrative penalties due to environmental issues during the reporting period

During the reporting period, there was no environmental incident which caused significant impact on the Company. As Urad Rear Banner Zijin was included in "List of Key Supervision Units for Soil and Environmental Pollution" in 2021, it needs to apply for a new version of the pollutant discharge permit in accordance with the regulations. Due to the adjustment of the environmental protection policy for draining water discharge and the impact of COVID-19 during the application period, Urad Rear Banner Zijin failed to complete the upgrade of the water treatment system and obtain the relevant certificate within a specified period of time as stipulated. A fine of RMB380 thousand was imposed by the Bayannur City Ecological Environment Bureau. Urad Rear Banner Zijin completed the rectification and obtained pollutant discharge permit issued by the Bayannur City Ecological Environment Bureau on 5 December 2022.

(II) Environmental protection information on the companies other than the key pollutant discharge units

Disclosure of other environmental information with reference to the key pollutant discharge units

During the reporting period, the Company had 11 subsidiaries in the PRC involved in the discharge of pollutants and not being identified as key pollutant discharge units, all of which had obtained or completed the registration of pollutant discharge permits, strictly complied with the requirements of pollutant discharge permits or environmental impact assessments, regularly conducted environmental self-monitoring with all monitoring results passed, strictly implemented environmental impact assessment and the "three simultaneous" regulation. For details of the implementation, please refer to Table 2: Implementation of environmental impact assessment and "three simultaneous" regulation for 2022; for details of the pollutant discharge information, please refer to Table 3: Information on pollutant discharge of non-key pollutant discharge units for 2022.

Sustainability *(continued)*

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

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

During the reporting period, 3 more processing subsidiaries of the Company were rated as provincial-level green factories. A green development pattern with 10 green factories and 14 green mines has been formed. Meanwhile, the Company actively promotes the continuous optimisation of the environmental management system. Up to now, 43 subsidiaries in production have received ISO 14001 environmental management system certification.

– Natural ecological conservation

During the reporting period, the Company adhered to equal emphasis on mineral resource development and ecological environment protection, as well as the principle of “development in protection, protection in development”. The Company invested RMB489 million in ecological restoration, planted 1.21 million flowers and trees and rehabilitated 12.75 million square metres of land throughout the year, realising restoration of the restorable area as much as possible. The Company strengthened technological breakthroughs in ecological restoration and solved the treatment issues of the very steep slopes in high-cold areas. During the reporting period, the “Artificial Vegetation Restoration Project at High-Cold Mines” won the second prize in the Green Mine Science and Technology Major Project Award, the ecological restoration project of No. 10 stope in the No. 10-22 middle section of the mine and surrounding mine dumps of the Mengku Iron Mine of Jinbao Mining received the award “National Ecological Restoration Standard Leading Project” from the Ecological Restoration Promotion Committee of China Forestry and Environment Promotion Committee.

– Environmental pollution prevention and management

Responsible disposal of waste generated in the production process is essential to the local environment, local communities and the normal production and operation of the Company. We minimise waste generation by selecting raw materials with low harm, low toxicity and less waste from the source. We use technological innovation and enhancement in the production process to improve the conversion rate of raw materials and the output rate of products. We also recycle or reuse waste at the end as well as proper storage to prevent pollution. During the reporting period, the Company completed the full-element analysis of smelting slag for 5 smelting enterprises, and pushed Zijin Non-ferrous to complete the construction of the comprehensive disposal of hazardous waste and zinc sulphate heptahydrate project. After separating the lead, copper and zinc from lead slag and copper slag by flotation, the lead concentrate and copper concentrate in tailings after flotation were sold as products after meeting the product quality standards. The zinc concentrate was returned to the system for continual zinc metal recovery, and the cobalt slag was sent to the rotary kiln for zinc recovery. The commissioning and operation of such project enables Zijin Non-ferrous to realise self-comprehensive utilisation of all hazardous production waste, greatly reducing the environmental risks that may be brought about by hazardous waste.

– Water resources management

During production and operation process, the Company is dedicated to continuously improving water resources management, enhancing water resources utilisation rate to reduce the adverse impact of the enterprises on the local water resources. During the reporting period, the Company’s total fresh water withdrawal was 72.7108 million tonnes and the water reuse rate reached 94.29%. Technological innovation is our core measure to increase water recycling and reduce wastewater discharge. We have successfully innovated and promoted advanced water management technologies such as advanced treatment and reuse technology of heavy metal wastewater from non-ferrous metal refining process, the recycling technology for high-salinity wastewater after hydrometallurgy, heavy metal metallurgical acid wastewater treatment and resource utilisation, effectively improving water recycling level.

Sustainability *(continued)*

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

– Environmental protection training and promotion

The Company organised the World Earth Day with the theme of “Cherish Water Resources and Protect the Water Environment” and the World Environment Day with the theme of “Building a Clean and Beautiful World Together”, actively demonstrating the effectiveness of environmental protection and ecological work to the public, addressed the concerns of the public and surrounding communities and increased the openness and transparency of information. We have participated in the formulation of industry standard “Guidelines for Greenhouse Gas Emission Accounting and Reporting in Non-ferrous Metal Mining and Processing Industry”, group standards like “Ecological Restoration Standard System for Mines” and “Carbon Trading Corporate Credit Rating Evaluation Specification”. The Company also attended the side event on “Mainstreaming Biodiversity Conservation in Mining Investment and Practice in China” of the UN Biodiversity Conference (Fifteenth meeting of the Conference of the Parties (COP-15) to the Convention on Biological Diversity) through an online platform, delivered a speech on the theme of “Protecting Nature and Harmonious Coexistence”, sharing our practice in biodiversity conservation.

(IV) Measures taken to reduce carbon emissions and the results achieved during the reporting period

Whether carbon reduction measures were taken	Yes
Reduction of CO ₂ equivalent emissions (unit: tonne)	At present, the Company’s carbon dioxide emissions have not yet peaked. The greenhouse gas emissions per unit of industrial added-value decreased by 13.4% compared to the previous year
Types of carbon reduction measures (such as using clean energy for power generation, using carbon reduction technologies in the production process, researching and developing new products that contribute to carbon reduction)	Clean energy substitution, clean fuel replacement, energy-saving technology replacement, forestry carbon sink

Sustainability *(continued)*

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

II. SOCIAL RESPONSIBILITY WORK

- (I) Whether social responsibility report, sustainable development report or ESG report is published separately

For details, please refer to the Company’s 2022 Environmental, Social and Governance (ESG) Report published at the same time as the publication of this report.

- (II) Specific information on social responsibility work

External donations, public welfare projects	Amount/Content	Explanation
Total Input (RMB million)	250.6670	Participated in the development and construction of the localities of the projects as a community partner, actively planned, formulated and implemented community development projects, invested in community infrastructure and facilities, provided basic conditions for economic development. Adhered to the concept of common development, planned various public welfare projects to help vulnerable groups by providing them basic livelihood support materials; collaborated with communities and governments of host countries, jointly promoted social and economic development. During the reporting period, the total input in external donation and charity projects amounted to RMB250.67 million. Thoroughly investigated local community conditions, major social issues and development opportunities, listened to the demands of community residents. Actively communicated and cooperate with local foundations, communities, indigenous people and other stakeholders to ensure community engagement and ownership. The Company will continue to follow up on and monitor the implementation of the projects, regularly review and evaluate the impact and effectiveness of the projects, and disclose the results to the communities on a regular basis.
Among which: funds (RMB million)	250.6670	
supplies (equivalent to monetary value) (RMB million)	–	
Number of people benefited	252,694	



Photo: The Buriticá Gold Mine in Colombia supports community development of coffee farming

Sustainability *(continued)*

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

III. SPECIFIC INFORMATION ABOUT WORK ON CONSOLIDATING AND EXPANDING THE FRUITS OF POVERTY ALLEVIATION AND RURAL REVITALISATION

Work on poverty alleviation and rural revitalisation	Amount/Content	Explanation
Total investment (RMB million)	121.8938	
Among which: funds (RMB million)	121.8938	
supplies (equivalent to monetary value)(RMB million)	0	
Number of people benefited	6,571	
Types of assistance (e.g., poverty alleviation through industry, employment and education)	<ul style="list-style-type: none"> – Industry assistance: RMB58.5555 million – Cultural assistance: RMB4.4483 million – Infrastructure assistance: RMB51.224 million – Consumption assistance: RMB7.66602 million 	<ul style="list-style-type: none"> – Industry assistance: including expanding the scale of unique industry production, improving the quality and added-value of agricultural products, assisting farmers to steadily increase their income and become prosperous. – Cultural assistance: including supporting the improvement of compulsory education conditions in impoverished areas, carrying out vocational training, and helping the localities improve the quality and skills of personnel. – Infrastructure assistance: including promotion of infrastructure construction (such as road, health and sanitation conditions, flood protection and slope protection projects), helping improve local living quality and development conditions. – Consumption assistance: including broadening sales channels for local products and encouraging internal procurement of poverty-alleviation products in priority.

Sustainability *(continued)*

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

Specific explanation

The Company actively responds to the national strategy and requirements for rural revitalisation, striving to consolidate the achievements of poverty alleviation. In 2022, the Company carried out various revitalisation activities according to different situations in the rural areas that are vulnerable to returning to poverty, such as industrial revitalisation, cultural revitalisation, talent revitalisation and ecological revitalisation. A total of approximately RMB122 million was invested in rural revitalisation, which effectively improved the infrastructure and education environment in the areas around the mines which are vulnerable to returning to poverty, cultivated a large number of local talents, drove the industrial development of the surrounding areas, promoted local economic development, significantly improved the production and living conditions of the people in the assisted areas, reduced their risk of returning to poverty.

Social responsibility cases

1. Education revitalisation: Zijin Secondary School

The Company attaches great importance to giving back to the education sector. It has established the Zijin Secondary School in Shanghang County and the Zijin School Geology and Mining with Fuzhou University, all of which have achieved great success. The school operation model has become a demonstration of educational reform and innovation. Since 2018, the Company has invested more than RMB800 million to establish the junior high school and senior high sections of Zijin Secondary School in Shanghang County. The Company has also recruited over 100 leading figures, renowned teachers and backbone teachers in various disciplines from across the country. Currently, the school has about 1,580 students, providing significant support for local students' education and alleviating the pressure on education.

2. Giving back to the society: relief work for elderly people aged 80 and above and orphans

The Company provided a monthly allowance of RMB100 for each impoverished elderly person aged 80 and above living in the old rural area of Shanghang County. It also offered a monthly living subsidy of RMB200 to each orphan under 18 years old who is attending school in Shanghang county. The annual donation amount reached RMB20 million, benefiting over 15,200 elderly people aged 80 and above, as well as orphans in the entire county. Through the implementation of this project, the basic living needs of impoverished elderly people and orphans in rural areas have been guaranteed to a certain extent. This project has also encouraged the society to form a positive tradition of respecting the elderly, supporting the young, helping the weak and aiding the poor, which has won high praise from all walks of life.

3. Talent revitalisation: Julong Copper

Julong Copper adheres to the development principle of "developing local resources, driving the local economy, and benefiting local people". It applies the talent revitalisation strategy and places great importance on the training and promotion of local Tibetan cadres. Julong Copper identifies outstanding Tibetan employees and assigns them to important management positions at all levels, while also focusing on training them to become the Company's management backup force. The Company currently employs a total of 1,653 staff, of which 899 are Tibetan, accounting for 54% of the workforce. Among the 352 management personnel above deputy positions in the department, 126 are Tibetan cadres, accounting for 36%. In 2022, Julong Copper's excellent practices in promoting employment, learning and promotion of local employees were recognised by the local government. The company was awarded the honorary title of "Advanced Collective in Employment and Entrepreneurship Work" by the Tibet Autonomous Region Government.

Sustainability *(continued)*

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

4. Resettlement: Shanxi Zijin

Shanxi Zijin actively implements rural revitalisation policies to improve the living environment for the residents in the surrounding areas of the mine. It has carried out a relocation project of whole Yixingzhai Village. A new residential community called "Xingyili" was built in the central area of the county for more than 1,500 villagers from the remote area of Yixingzhai. The community covers a total area of 53,000 square metres, greatly enhancing their living environment and quality of life.




APPROACH TO CLIMATE CHANGE

Addressing climate change is a global public issue. Zijin Mining, as an important participant in the global mining market, is sincere and determined to make a due contribution to the success of the Paris Agreement. The Company upholds the purpose of "mining for a better society", grasps the risks and opportunities the Company faces in the global transition to a low-carbon economy, and formulates and releases "The Action Programme on Climate Change" in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) framework, serving as the Company's action programme to achieve the temperature control targets of the Paris Agreement.

The report focuses on carbon strategic planning from a global emission reduction perspective and China's "dual carbon" strategies. Adhering to the Company's actual situation, the Company has disclosed climate change-related information in four aspects: governance, strategy, risk management, and indicators and targets. It is the first internationalised report in China's non-ferrous industry that integrates the TCFD framework.

I. Strategic planning

Based on the IEA's SDS scenario and NZE scenario, the Company has established its emission reduction path between the two scenarios. Under the overall targets of reaching carbon peak by 2029 and carbon neutrality by 2050, three phased goals are proposed:

	2050 Long term target	Achieve carbon neutral
	2029 Mid term target	Achieve carbon peak
	2025 Short term target	Gradual decrease of GHG emissions per unit of industrial value added (using 2020 as the base year)

- Reduce greenhouse gas (GHG) emissions per unit of industrial value added by 38%
- In 2030, 30% of the Company's energy mix is from renewable energy
- Reduce GHG emissions per unit of industrial value added by 20%

Based on the TCFD framework, the Company has identified two main types of climate-related risks. The first type is physical risks directly related to climate change impacts, which mainly include risks caused by climatic events such as droughts, floods, heat waves and rising sea levels. The second type is transition risks related to the transformation towards a low-carbon economy, which mainly involve changes in relevant policies, technological innovations, changes in market sentiment and preferences, and changes of business models.

Engage globally

Provide the materials that improve standards of living in a low carbon future, help the world to achieve the 2-degree target

Expanding Industry

Establish clean and low carbon industry chain economy, so that more people can benefit from Zijin

Improve ourselves

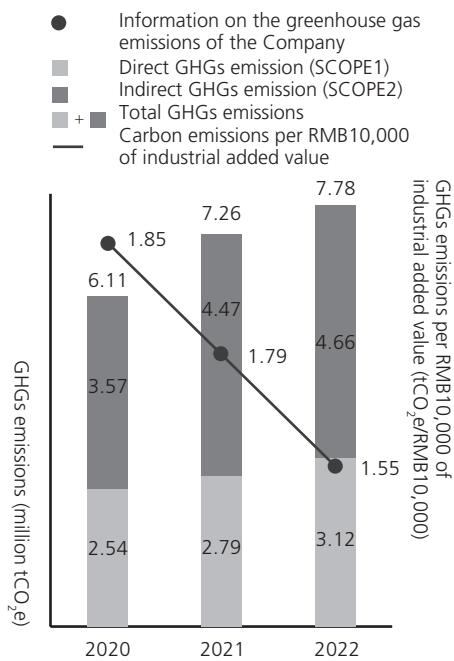
Follow the path of green, high quality and sustainable development, reduce industrial development footprint in the whole process

The Company believes that risks and opportunities coexist. In the future, with the development and growth of the new energy industry (such as electric vehicles), market preferences will shift towards renewable energy and decarbonisation. The demand for key green energy raw materials and various types of rare metals (such as copper, silver, cobalt and lithium) will steadily increase, bringing development opportunities to the Company.

Sustainability *(continued)*

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

II. Governance organisation and current situation



The Company has established a “Dual Carbon” Management Work Leading Group within the ESG Management Committee to guide and promote the development of climate strategies and the implementation of climate-related goals in the subsidiaries.

The Company’s Scope 1 emissions included the primary energy directly produced and consumed by the Company’s global operations, mainly generated from the diesel consumption of mobile mining equipment, while Scope 2 emissions come from the secondary energy consumed by the Company’s global operations, mainly generated from the electricity purchased from the grid in the countries where the assets were located. In 2022, the combined emissions of Scope 1 and Scope 2 amounted to 7.78 million tonnes of carbon dioxide equivalent (tCO₂e). The year-on-year growth mainly attributed to the increase of production volume of a full range of the Company’s metal products as compared to 2021. Yet, the greenhouse gas emissions per unit of industrial added value decreased by 13.4% compared to 2021.

At the same time, the Company will also pay long-term attention to Scope 3 emissions, start building a Scope 3 carbon emission accounting, monitoring, and management system, and incorporate it into the Company’s greenhouse gas emission management system.

III. Performance during the reporting period

– Clean fuel replacement

The Company continued to promote electrification as a substitute for transportation vehicles and steam boilers. During the reporting period, Luoyang Kunyu, Longnan Zijin, Jinbao Mining, Zijin Zinc and others introduced all-electric mining trucks, all-electric dump trucks, new energy heavy trucks, etc., to replace the original diesel transport vehicles. At the same time, electric boilers have replaced traditional coal-fired boilers, effectively reducing carbon dioxide emissions. The Company signed a contract with Fuzhou University to implement the first ammonia-to-hydrogen integrated demonstration station project in Fujian and delivered the first ammonia-hydrogen fuel power station in China. It also built China’s first ammonia-hydrogen fuel cell bus, achieving low-cost, “fuel cell-grade” hydrogen energy simultaneous production and use.

Sustainability *(continued)*

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

– **Clean energy replacement**

During the reporting period, the Company's green power generation reached 257 million kWh. Longking, a subsidiary of the Company, and SVOLT Energy Technology Co., Ltd. jointly invested and established a joint venture to build a new battery storage PACK and system integration project, improving the utilisation capability of clean energy. Some subsidiaries of the Company have entered into agreements with power agents or power generation enterprises to request power suppliers to provide more clean power through agreements and negotiations. During the reporting period, the subsidiaries purchased and produced their own green electricity. As a result, the use of clean energy already accounted for 32.5% of the total electricity consumption.

– **Energy saving and emission reduction technology replacement**

During the reporting period, each mining enterprise optimised production processes and vigorously promoted technological transformations such as "more crushing and less grinding", effectively reducing carbon emissions per unit of ore processing. Smelting enterprises used heat pump technology to carry out low-temperature waste heat recovery projects. For example, Heilongjiang Zijin Copper utilised large amount of low-temperature heat released in the concentrated sulphuric acid absorption process to make a continuous and stable production of 45t/h of 0.8 MPa (G) saturated steam. During summer, with the use of the condensing steam turbine generator sets, a total of 20 million kWh of electricity can be generated. During winter, the facility provides heating for daily production and living, reducing energy consumption and carbon emissions.

– **Carbon offset technology**

On the basis of completing the restoration of restorable mining areas as much as possible, the Company participated in the 2022 Lhasa North-South Mountain Greening Project in the Tibet Autonomous Region, completing an afforestation area of 1.78 million square metres and planting 290,000 trees, making a significant contribution to local ecological forest development and forestry carbon sinks. The Company also reached a framework agreement with Longyan Forestry Bureau to participate in the development of forest management carbon sink projects, planning to build about 1.5 million square metres of high-carbon red mountain mixed forests to offset greenhouse gas emissions.

Sustainability *(continued)*

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

Table 1

Information on pollutant discharge of key pollutant discharge units in 2022

Number	Name of entity	Type of pollutant	Major and special pollutant	Concentration of discharge	Total discharge volume for the year (t)	Approved annual discharge volume (t/a)	Way of discharge	Number of Discharge outlets	Distribution of discharge outlets	Whether the discharge limit was exceeded	Regulatory basis for pollutant discharge
1	Zijinshan Gold and Copper Mine	Wastewater	COD	9.44mg/L	82.75	729.8	Organised discharge after meeting regulatory standards	6	Discharge outlets at Xinwuxia, Yutiankeng, Huyangkeng, Yakeng, Ermiaogou and Sanqingting	No	The standards in Schedule 2 of the Emission standard of pollutants for copper, nickel, cobalt industry (GB25467-2010), Class 1 standards in Schedules 1 and 2 of the Integrated wastewater discharge standard (GB8978-1996)
			Ammonia nitrogen	2.41mg/L	21.17	97.3					
			Total arsenic	5.9x10 ⁻⁵ mg/L	5x10 ⁻⁴	0.6179					
			Total lead	1.7x10 ⁻⁶ mg/L	1.5x10 ⁻⁵	0.80716					
			Total cadmium	2.7x10 ⁻⁴ mg/L	0.0024	0.08562					
			Total zinc	0.0063mg/L	0.056	3.66					
			Total copper	0.014mg/L	0.12	2.365					
			Total cyanide	3x10 ⁻⁴ mg/L	0.0027	0.108					
		Exhaust gas	Particulates	0.1mg/m ³ -5.2mg/m ³	11.52	-	Organised discharge after meeting regulatory standards	11	The discharge outlets of dust removers installed at the crushing and screening systems	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)										
2	Wuping Zijin Mining Co., Ltd.	Wastewater	COD	8.19mg/L	3.56	6.9	Organised discharge after meeting regulatory standards	1	Downstream of tailings storage	No	Class 1 standards in Schedules 1 and 4 of the Integrated wastewater discharge standard (GB8978-1996)
			Ammonia nitrogen	0.054mg/L	0.019	5.481525					
			Total copper	0.063mg/L	0.028	0.05					
			Total lead	0.005mg/L	0.0021	0.042					
			Total zinc	0.28mg/L	0.11	0.115					
			Total cadmium	0.005mg/L	0.0013	0.036543					
			Total arsenic	0.003mg/L	0.0015	0.182717					
			Total silver	0.0001mg/L	6.9x10 ⁻⁵	0.182717					
		Exhaust gas	Particulates	11mg/L	1.85	-	Organised discharge after meeting regulatory standards	4	Crushing and screening sections of processing plant	No	The standards in Schedule 2 of the Integrated emission standard of air pollutants (GB16297-1996)
Noise	Noise at boundary met the standards of Category II of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)										
3	Urad Rear Banner Zijin Mining Co., Ltd.	Mineral processing wastewater	-	-	-	-	Not discharged and internally reused	0	N/A	No	-
		Exhaust gas	Particulates	31.80mg/m ³	24.88	-	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)
		Noise	Noise at boundary met the standards of Category II of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)								
4	Shanxi Zijin Mining Co., Ltd.	Mineral processing wastewater	-	-	-	-	Not discharged and internally reused	0	N/A	No	-
		Exhaust gas	Particulates	8.9mg/m ³	3.98	-	Organised discharge after meeting regulatory standards	4	The discharge outlets of dust removers installed at the crushing and screening systems	No	Integrated emission standard of air pollutants (GB16297-1996)
		Noise	Noise at boundary met the standards of Category II of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)								

Sustainability (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 for the year (t)	Approved annual discharge volume (t/a)	Way of discharge	Number of Discharge outlets	Distribution of discharge outlets	Whether the discharge limit was exceeded	Regulatory basis for pollutant discharge
5	Luoyang Kunyu Mining Co., Ltd.	Mineral processing wastewater	-	-	-	-	Not discharged and internally reused	0	N/A	No	-
		Exhaust gas	Particulates	7.50mg/m ³ -9.50mg/m ³	7.37	-	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 met the standards of Category II of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)								
6	Habahe Ashele Copper Co., Ltd.	Mineral processing wastewater	-	-	-	-	Not discharged and internally reused	0	-	No	-
		Exhaust gas	Dust	33.62mg/m ³	4.15	22.7	Organised discharge after meeting regulatory standards	1	The 60m-chimney in boiler house	No	Emission standard of air pollutants for boiler (GB13271-2014)
			Sulphur dioxide	276.59mg/m ³	42.76	71.5					
			Nitrogen oxides	189.49mg/m ³	30.58	106.78					
Noise	Noise at boundary met the standards of Category II of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)										
7	Xinjiang Zijin Zinc Co., Ltd.	Mineral processing wastewater	-	-	-	-	Not discharged and internally reused	0	N/A	No	-
		Exhaust gas	Sulphur dioxide	152mg/m ³	11.79	87	Organised discharge after meeting regulatory standards	1	Discharged through the 45m-chimney in the boiler house	No	Schedule 1 of Emission standard of air pollutants for boiler (GB13271-2014)
			Nitrogen oxides	127.50mg/m ³	9.87	48.9					
			Dust	37.83mg/m ³	2.93	-					
		Exhaust gas	Particulates	58.78mg/m ³	62.43	-	Organised discharge after meeting regulatory standards	3	The discharge outlets of wet dust removers installed at the crushing and transport systems	No	Emission standard of pollutants for lead and zinc industry (GB25466-2010)
Noise	Noise at boundary met the standards of Category III of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)										
8	Heilongjiang Duobaoshan Copper Industry Inc.	Mineral processing wastewater	-	-	-	-	Not discharged and internally reused	0	N/A	No	-
		Exhaust gas	Sulphur dioxide	177.50mg/m ³	84.11	219.335	Organised discharge after meeting regulatory standards	1	Discharged through the 60m-chimney after desulphurisation and denitrification in the boiler house	No	Emission standard of air pollutants for boiler (GB13271-2014)
			Nitrogen oxides	189.88mg/m ³	95.26	194.55					
			Dust	33.01mg/m ³	15.38	48.538					
		Exhaust gas	Particulates	12.62mg/m ³	146.59	-	Organised discharge after meeting regulatory standards	18	The discharge outlets of dust removers installed at the crushing and screening systems	No	Emission standard of pollutants for copper, nickel, cobalt industry (GB25467-2010)
Noise	Noise at boundary met the standards of Category II of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)										

Sustainability *(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 for the year (t)	Approved annual discharge volume (t/a)	Way of discharge	Number of Discharge outlets	Distribution of discharge outlets	Whether the discharge limit was exceeded	Regulatory basis for pollutant discharge
9	West Copper Co., Ltd.	Mineral processing wastewater	-	-	-	-	Not discharged and internally reused	0	N/A	No	-
		Exhaust gas	Particulates	68.05mg/m ³	1.49	-	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)
		Noise	Noise at boundary met the standards of Category III of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)								
10	Guizhou Zijin Mining Co., Ltd.	Wastewater	COD	8.58mg/L	17.83	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	3.90mg/L	8.34	22.2					
			Suspended solids	8.42mg/L	17.88	-					
			Total lead	0.014mg/L	0.12	-					
			Total chromium	0.004mg/L	0.01	-					
		Exhaust gas	Sulphuric acid mist	10.53mg/m ³	2.9	-	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)
Noise	Noise at boundary met the standards of Category II of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)										
11	Wenshan Malipo Zijin Tungsten Group Co., Ltd.	Wastewater	COD	24.10mg/L	14.73	21.42	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	1.81mg/L	1.17	6.4239					
			Suspended solids	23.48mg/L	16.64	-					
			Total arsenic	0.044mg/L	0.037	0.2141					
			Total copper	0.0034mg/L	1.9x10 ⁻⁶	-					
		Total zinc	0.036mg/L	2.2x10 ⁻⁵	-						
Noise	Noise at boundary met the standards of Category II of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)										
12	Longnan Zijin Mining Co., Ltd.	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)								

Sustainability (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 for the year (t)	Approved annual discharge volume (t/a)	Way of discharge	Number of Discharge outlets	Distribution of discharge outlets	Whether the discharge limit was exceeded	Regulatory basis for pollutant discharge
13	Hunchun Zijin Mining Co., Ltd.	Mineral processing wastewater	-	-	-	-	Not discharged and internally reused	0	N/A	No	-
		Exhaust gas	Nitrogen oxides	137.79mg/m ³	25.64	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	80.57mg/m ³	12.64	23.037					
			Dust	21.79mg/m ³	3.93	5.759					
Particulates	19.78mg/m ³	86.79	-	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)										
14	Tibet Julong Copper Co., Ltd.	Mineral processing wastewater	-	-	-	-	Not discharged and internally reused	0	N/A	No	-
		Exhaust gas	Particulates	17.60mg/m ³	102.25	-	Organised discharge after meeting regulatory standards	22	Zhibula crushing station, driving station, transfer station no. 2 and 3, the original ore storage of Zhibula's mineral processing plant, Qulong crushing station CV01, Qulong crushing station CV01-CV03, Qulong crushing station CV02, Qulong crushing station CV02-CV03, Qulong transfer station CV04, Qulong CV05, raw ore storage yard, hard rock warehouse, hard rock crushing station, fine tailing station, laboratory building (7 dust collectors)	No	Emission standard of pollutants for copper, nickel, cobalt industry (GB25467-2010), Emission standard of industrial pollutants for iron mining and processing (GB28661-2012)
			Sulphuric acid mist	1.35mg/m ³	0.24	-	Organised discharge after meeting regulatory standards	4	Laboratory building (4 acid mist purification towers)	No	Emission standard of pollutants for copper, nickel, cobalt industry (GB25467-2010), Emission standard of industrial pollutants for iron mining and processing (GB28661-2012)
Noise	Noise at boundary met the standards of Category III of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)										
15	Yuanyang Huaxi Gold Co., Ltd.	Industrial wastewater	COD	4.97mg/L	11.63	-	Organised discharge after meeting regulatory standards	5	Water discharge outlet of the Maomushu mine section, water discharge outlet of the Baishapo mine section, water discharge outlet of the Jinhe gold mine section, discharge outlet of the new tailings pond, and the domestic sewage outlet of the mining section	No	Class 1 standards in Schedules 1 and 4 of the Integrated wastewater discharge standard (GB8978-1996)
			Ammonia nitrogen	0.041mg/L	0.96	-					
			Total phosphorus	0.065 mg/L	0.15	-					
			Total arsenic	0.00095mg/L	0.0022	-					
			Total cadmium	0.001 mg/L	0.0023	-					
		Total chromium	0.0047mg/L	0.011	-						
Exhaust gas	Particulates	19.97mg/m ³	0.099	-	Organised discharge after meeting regulatory standards	2	Exhaust duct for the crushing section of no. 1 dressing plant, Exhaust duct for the crushing section of no. 2 dressing plant	No	Class 2 standards in Schedule 2 of the Integrated emission standard of air pollutants (GB16297-1996)		
Noise	Noise at boundary met the standards of Category II of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)										

Sustainability (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 for the year (t)	Approved annual discharge volume (t/a)	Way of discharge	Number of Discharge outlets	Distribution of discharge outlets	Whether the discharge limit was exceeded	Regulatory basis for pollutant discharge
16	Luoning Huatai Mining Development Co., Ltd.	Mineral processing wastewater	-	-	-	-	Not discharged and internally reused	0	N/A	No	-
		Exhaust gas	Particulates	13.6mg/m ³	6.57	-	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)
		Noise	Noise at boundary met the standards of Category II of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)								
17	Neimenggu Golden China Minerals Inc.	Production suspended									
18	Zijin Copper Co., Ltd.	Wastewater	Total arsenic	0.018mg/L	0.022	-	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	0.0089mg/L	0.011	-					
			Total copper	0.019mg/L	0.022	-					
			Total zinc	0.025mg/L	0.03	-					
			COD	6mg/L	0.002	-					
		Exhaust gas	Sulphur dioxide	6.44mg/m ³	62.13	622.799	Organised discharge after meeting regulatory standards	50	Three main discharge outlets including post-desulphurisation environmental smoke discharge outlet, discharge outlet for post-desulphurisation tailing gas from sulphuric acid, 80m-high discharge outlet for environmental gas, 47 general discharge outlets	No	Emission standard of pollutants for copper, nickel, cobalt industry (GB25467-2010), Integrated emission standard of air pollutants (GB16297-1996), Emission standards of pollutants for inorganic chemical industry (GB31573-2015), Emission standard for odor pollutants (GB14554-93)
			Nitrogen oxides	14.74mg/m ³	143.63	184.916					
			Particulates	5.02mg/m ³	54.17	232.452					
			Lead and its compounds	0.014mg/m ³	0.14	2.9					
			Arsenic and its compounds	0.012mg/m ³	0.11	1.755					
			Mercury and its compounds	0	0	0.053					
			Sulphuric acid mist	0.45mg/m ³	5.05	-					
			Fluoride	0.41mg/m ³	3.77	-					
Hydrogen chloride	0.86mg/m ³	0.23	-								
Hydrogen sulphide	0.064mg/m ³	0.0026	-								
Noise	Noise at boundary met the standards of Category III of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)										
19	Zijin Mining Group Gold Smelting Co., Ltd.	Wastewater	Total copper	0.017mg/L	3.9x10 ⁵	-	Organised discharge after meeting regulatory standards	1	Wastewater discharge outlet DW001	No	Integrated wastewater discharge standard (GB8978-1996)
			Total cyanide	0.016mg/L	3.7x10 ⁵	0.0023					
			COD	88.23mg/L	0.19	1.18					
			Ammonia nitrogen	9.64mg/L	0	0.177					
			Total arsenic	0.024mg/L	8.7x10 ⁵	0.0059					
			Total mercury	3x10 ⁻² mg/L	0	0.00059					
			Total lead	0.0029mg/L	6x10 ⁴	0.0118					
		Total cadmium	0.0004mg/L	1x10 ⁴	0.00118						
		Exhaust gas	Nitrogen oxides	2.77mg/m ³	0.099	0.96	Organised discharge after meeting regulatory standards	2	Exhaust gas discharge outlets no. 1 and 2 of acid mist purification tower	No	Class 2 standards in Schedule 2 of the Integrated emission standard of air pollutants (GB16297-1996)
			Hydrogen chloride	3.38mg/m ³	0.13	0.5247					
Ammonia gas	7.65mg/m ³		0.026	-	Organised discharge after meeting regulatory standards	1					
Noise	Noise at boundary met the standards of Category III of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)										

Sustainability (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 for the year (t)	Approved annual discharge volume (t/a)	Way of discharge	Number of Discharge outlets	Distribution of discharge outlets	Whether the discharge limit was exceeded	Regulatory basis for pollutant discharge
20	Jilin Zijin Copper Co., Ltd.	Wastewater	COD	25.89mg/L	12.15	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	1.57mg/L	0.7	4.38					
			Total lead	0	0	0.15239					
			Total arsenic	0	0	0.15239					
			Total mercury	0	0	0.015239					
			Total cadmium	0	0	0.030478					
		Exhaust gas	Particulates	3.66mg/m ³	13.12	160.01	Organised discharge after meeting regulatory standards	2	Through exhaust gas discharge outlets of 60m- and 120m-chimneys respectively	No	Emission standard of pollutants for copper, nickel, cobalt industry (GB25467-2010), Integrated emission standard of air pollutants (GB16297-1996)
			Sulphur dioxide	119.77mg/m ³	417.74	570					
			Nitrogen oxides	7.21mg/m ³	24.27	130.44					
			Arsenic and its compounds	0.15mg/m ³	0.57	1.00577					
			Lead and its compounds	0.18mg/m ³	0.67	1.76011					
			Mercury and its compounds	0.005mg/m ³	0.017	0.03018					
			Sulphuric acid mist	11.58mg/m ³	38.75	-					
Fluoride	0.59mg/m ³	2.06	-								
Noise	Noise at boundary met the standards of Category III of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)										
21	Heilongjiang Zijin Copper Co., Ltd.	Wastewater	COD	16.28mg/L	7.55	-	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	449.46mg/L	208.46	-					
		Exhaust gas	Particulates	1.55mg/m ³	3.14	57.6	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)
			Sulphur dioxide	39.35mg/m ³	79.51	513.79					
			Nitrogen oxides	36.4mg/m ³	73.55	92.16					
			Mercury and its compounds	6.9x10 ⁻¹ mg/m ³	1.4x10 ⁻⁶	0.00001					
			Lead and its compounds	2.9x10 ⁻⁴ mg/m ³	5.8x10 ⁻⁶	0.162					
		Arsenic and its compounds	1.1x10 ⁻⁴ mg/m ³	2.3x10 ⁻⁶	0.05						
Noise	Noise at boundary met the standards of Category III of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)										

Sustainability *(continued)*

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Number	Name of entity	Type of pollutant	Major and special pollutant	Concentration of discharge	Total discharge volume for the year (t)	Approved annual discharge volume (t/a)	Way of discharge	Number of Discharge outlets	Distribution of discharge outlets	Whether the discharge limit was exceeded	Regulatory basis for pollutant discharge
22	Bayannur Zijin Nonferrous Metals Co., Ltd	Industrial wastewater	-	-	-	-	Not discharged and internally reused	0	N/A	No	-
		Exhaust gas	Sulphur dioxide	7.70mg/m ³ -287mg/m ³	276.94	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 for sulphuric acid tailing gas on phase one, exhaust gas discharge outlet for sulphuric acid tailing gas on 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)
			Particulates	0.20mg/m ³ -61.40mg/m ³	60.59	338					
			Nitrogen oxides	75mg/m ³ -217mg/m ³	229.49	754.2					
			Sulphuric acid mist	4.64mg/m ³ -12.60mg/m ³	8.22	-					
			Mercury and its compounds	0.00004mg/m ³ -0.001mg/m ³	0.0021	0.077					
			Lead and its compounds	0.03mg/m ³ -0.11mg/m ³	0.073	0.6926					
Noise	Noise at boundary met the standards of Category II of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)										
23	Luoning Zijin Gold Refinery Co., Ltd.	Industrial wastewater	-	-	-	-	Not discharged and internally reused	0	N/A	No	-
		Exhaust gas	Particulates	2mg/m ³	0.46	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)
			Sulphur dioxide	5mg/m ³	1.26	14.005					
			Nitrogen oxides	70mg/m ³	20.23	27.878					
Noise	Noise at boundary met the standards of Category II of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)										
24	Zijin Non-ferrous	Industrial wastewater	-	-	-	-	Not discharged and internally reused	0	N/A	No	No
		Exhaust gas	Sulphur dioxide	104.11mg/m ³	95.94	211	Organised discharge after meeting regulatory standards	1	Desulfurization tail gas outlet	No	Emission standard of pollutants for lead and zinc industry (GB25466-2010), Integrated emission standard of air pollutants (GB16297-1996)
			Nitrogen oxides	24.41mg/m ³	22.11	110.65					
			Particulates	14.53mg/m ³	11.75	29.32					
Noise	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 without verifying the total discharge volume. Environmental protection tax had been fully paid based on the discharge volume of pollutants.

Sustainability *(continued)*

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Table 2

Implementation of environmental impact assessment and “three simultaneous” regulation in 2022

Number	Name of entity	Name of construction project	Approval status of environmental impact assessment report			Status of completion and environmental protection acceptance check	Key pollutant discharge unit
			Approval authority	Time of approval	Approval document number		
1	Wenshan Malipo Zijin Tungsten Group Co., Ltd.	Dayutang tungsten mine 50,000 tonnes/year underground mining project	Wenshan Prefecture Ecology and Environment Bureau	29 June 2022	Wen Huan Fu [2022] No. 41	Under construction	Yes
2		Hebian tungsten mine 50,000t/a underground mining project	Malipo County Environmental Protection Bureau	13 June 2007	Ma Huan Fa [2007] No. 29	Self-acceptance check completed in October 2022	
3		150,000 tonnes/year underground mining project of Nanyangtian tungsten mine in Nanwenhe Township	Wenshan Prefecture Ecology and Environment Bureau	29 June 2022	Wen Huan Fu [2022] No. 42	Self-acceptance check completed in October 2022	
4	Luoning Huatai Mining Development Co., Ltd.	Luyangou Gold Mine waste slag storage project (Changling and Liegou slag dump projects)	Luoning County Ecology and Environment Bureau	28 August 2019	Ning Huan Ran Biao [2019] No. 07	Self-acceptance check completed in March 2022	Yes
5	Tibet Julong Copper Co., Ltd.	Zhibula Copper and Polymetallic Mine phase 1 reconstruction and expansion project	Department of Ecology and Environment of Tibet Autonomous Region	30 March 2022	Zang Huan Shen [2022] No. 13	Under construction	Yes
6		Julong Copper and Polymetallic Mine newly-added the second raw ore belt transportation project	Lhasa Ecology and Environment Bureau	24 June 2022	La Huan Ping Shen [2022] No. 44	Under construction	
7		150,000 tonnes mining and processing project of the Julong Copper and Polymetallic Mine	Department of Ecology and Environment of Tibet Autonomous Region	5 August 2022	Zang Huan Shen [2022] No. 37	Under construction	
8		Qulong Copper and Polymetallic Mine 100,000t/d mining and processing project	Ministry of Environmental Protection	19 December 2013	Huan Shen [2013] No. 319	Self-acceptance check completed in March 2022	
9	Zijin Zinc Co., Ltd.	Technological upgrade of the newly-added 15,000t/d comprehensive recycling and utilisation low-grade waste rock tailings storage project of the Wulagen Zinc Mine	Department of Ecology and Environment of Xinjiang Uygur Autonomous Region	17 April 2019	Xin Huan Huan Ping Han [2019] No. 463	Self-acceptance check completed in September 2022	Yes
10	Zijinshan Copper and Gold Mine	Environmental protection treatment system upgrading project	Longyan City Ecology and Environment Bureau	13 January 2022	Long Huan Shen [2022] No. 11	Under construction	Yes
11		Yutianhang tailings storage facility environmental impact report	Longyan City Ecology and Environment Bureau	3 June 2021	Long Huan Shen [2021] No. 155	Self-acceptance check completed in August 2022	
12	Guizhou Zijin Mining Co., Ltd.	Shuiyindong Gold Mine small plant tailings storage facility heightening and expansion project	Qianxinan Prefecture Ecology and Environment Bureau	30 May 2022	Jia Huan Shen [2022] No. 10	Under construction	Yes
13		4,000t/d processing technological upgrade project	Department of Ecology and Environment of Guizhou Province	3 August 2022	Qian Huan Shen [2022] No. 44	Under construction	
14		Three-in-one project for new construction of 110KV substation	Qianxinan Prefecture Ecology and Environment Bureau	15 August 2022	Zhou Huan Fu Shen [2022] No. 7	Under construction	
15		8,000m ³ /d wastewater treatment system construction project	Qianxinan Prefecture Ecology and Environment Bureau	4 June 2021	Zhou Huan Shen [2021] No. 157	Self-acceptance check completed in June 2022	
16	Longnan Zijin Mining Co., Ltd.	2,000 t/d mining and processing project of the Jinshan Gold Mine in Li County, Gansu Province	Department of Ecology and Environment of Gansu Province	8 March 2022	Gan Huan Shen Fa [2022] No. 2	Under construction	Yes

Sustainability (continued)

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Number	Name of entity	Name of construction project	Approval status of environmental impact assessment report			Status of completion and environmental protection acceptance check	Key pollutant discharge unit
			Approval authority	Time of approval	Approval document number		
17	Luoyang Kunyu Mining Co., Ltd.	Renovation project of ore and waste rock collection and transportation system	Luoning County Ecology and Environment Bureau	22 March 2022	Ning Huan Ran [2022] No. 1	Self-acceptance check completed in August 2022	Yes
18	Heilongjiang Duobaoshan Copper Industry Inc.	Molybdenum concentrates comprehensive recycling project	Department of Ecology and Environment of Heilongjiang Province	29 April 2022	Hei Huan Shen [2022] No. 7	Under construction	Yes
19		Copper-molybdenum mine exploration project in the periphery of Tongshan, Nenjiang County, Heilongjiang Province	Heihe City Nenjiang Ecology and Environment Bureau	27 May 2022	Nen Huan Jian Shen [2022] No. 15	Under construction	
20	Habahe Ashele Copper Co., Ltd.	Sand Mine for construction of Jiaman Kuoyitasi V in Kulebai Town	Altay Region Ecology and Environment Bureau	8 September 2022	A Di Huan Han [2022] No. 88	Under construction	Yes
21		New hazardous chemicals warehouse project in southern Tasibu Gule, Habahe County	Altay Region Ecology and Environment Bureau	13 September 2022	A Di Huan Han [2022] No. 93	Under construction	
22	Urad Rear Banner Zijin Mining Co., Ltd.	Solid waste ecological treatment goaf project	Bayannur City Ecology and Environment Bureau	02 December 2022	Ba Huan Shen [2022] No. 36	Under construction	Yes
23	Zijin Copper Co., Ltd.	Expansion and renovation project	Longyan City Ecology and Environment Bureau	19 April 2019	Long Huan Shen [2019] No. 144	Self-acceptance check completed in May 2022	Yes
24		Environmental smoke collection and discharge system modification for production expansion and renovation projects	Longyan City Ecology and Environment Bureau	20 April 2020	Long Huan Shen Han [2020] No. 19	Self-acceptance check completed in May 2022	
25	Jilin Zijin Copper Co., Ltd.	Hazardous waste warehouse renovation project	Yanbian Prefecture Ecology and Environment Bureau	29 July 2022	Yan Zhou Huan Shen (Biao) Zi [2022] No. HC010	Under construction	Yes
26		Waste printed circuit board precious metal recycling project	Department of Ecology and Environment of Jilin Province	6 May 2021	Ji Huan Shen Zi [2021] No. 37	Self-acceptance check completed in September 2022	
27	Zijin Non-ferrous Metals Co., Ltd.	Comprehensive disposal of hazardous waste and zinc sulphate heptahydrate project	Kizilsu Kirgiz Ecology and Environment Bureau	3 March 2022	Ke Huan Ping Han [2022] No. 4	Under construction	Yes
28	Zijin Mining Group Gold Smelting Co., Ltd.	Approval of the environmental impact assessment report for the technological upgrade project of non-ferrous metal fine and deep processing	Longyan City Ecology and Environment Bureau	14 December 2021	Long Huan Shen [2021] No. 381	Self-acceptance check completed in August 2022	Yes
29	Fuyun Jinshan Mining Co., Ltd.	Hazardous waste temporary storage room construction project	Altay Region Ecology and Environment Bureau Fuyun County Branch	28 March 2022	Fu Huan Shen Zi [2022] No. 13	Self-acceptance check completed in May 2022	No
30	Jinbao Mining Co., Ltd.	Iron concentrate desulphurisation technological upgrade project at processing plant no. 1	Department of Ecology and Environment of Xinjiang Uygur Autonomous Region	29 December 2022	Jin Huan Shen [2022] No. 279	Under construction	No
31		Technological upgrade project to improve the comprehensive utilisation of iron resources (application of high-pressure grinding rolls)	Department of Ecology and Environment of Xinjiang Uygur Autonomous Region	18 August 2021	Jin Huan Shen [2021] No. 139	Self-acceptance check completed in July 2022	
32	Fujian Zijin Mineral Processing Chemicals Co., Ltd.	Approval of the environmental impact assessment report for the annual production of 800 tonnes of acetone oxime and 2,000 tonnes of environmentally friendly lead inhibitor project	Longyan City Ecology and Environment Bureau	17 January 2022	Long Huan Shen [2022] No. 19	Under construction	No
33		Annual production of 5,000 tonnes of high-performance molybdenite collector and 1,000 tonnes of high-efficiency environmentally friendly cleaning agent project	Longyan City Ecology and Environment Bureau	27 June 2022	Long Huan Shen [2022] No. 168	Under construction	
34	Fujian Jinshan High-abrasive Material Co., Ltd.	New rolling steel ball production line and casting line renovation project	Longyan City Ecology and Environment Bureau	22 October 2020	Long Huan Shen [2020] No. 450	Self-acceptance check completed in December 2022	No

Sustainability *(continued)*

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Table 3

Information on pollutant discharge of non-key pollutant discharge units in 2022

Number	Name of entity	Type of pollutant	Major and special pollutant	Concentration of discharge	Total discharge volume for the year (t)	Approved annual discharge volume (t/a)	Way of discharge	Number of discharge outlets	Distribution of discharge outlet	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	27.16mg/m ³	2.5	9.52	Organised discharge after meeting regulatory standards	2	Exhaust pipe for Jinbao boiler no. 1, exhaust pipe for Jinbao boiler no. 2	No	Emission standard of air pollutants for boiler (GB13271-2014)
			Sulphur dioxide	149.01mg/m ³	14.46	38.08					
			Nitrogen oxides	209.82mg/m ³	22.06	47.6					
Noise	Noise at boundary met the standards of Category III of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)										
2	Fuyun Jinshan Mining Co., Ltd.	Industrial wastewater	-	-	-	-	Not discharged and internally reused	0	N/A	No	No
		Exhaust gas	Sulphur dioxide	192mg/m ³	2.16	5.96	Organised discharge after meeting regulatory standards	1	Fuyun Jinshan boiler exhaust outlet DA001	No	Emission standard of air pollutants for boiler (GB13271-2014)
			Nitrogen oxides	369mg/m ³	4.79	13.37					
			Particulates	22.8mg/m ³	0.3	5.54					
Noise	Noise at boundary met the standards of Category III of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)										
3	Fujian Zijin Copper Co., Ltd.	Wastewater	COD	41.83mg/L	0.0045	-	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	5.18mg/L	0.00036	-					
			Total zinc	0.015mg/L	2.2x10 ⁻⁶	-					
			Total copper	0.31mg/L	4x10 ⁻³	-					
			Total nickel	0.0036mg/L	5.9x10 ⁻⁷	-					
		Exhaust gas	Particulates	3.40-4.20mg/m ³	5.91	6.43	Organised discharge after meeting regulatory standards	13	The discharge outlets of copper pipe plant and plate 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	0.52	0.81					
			Nitrogen oxides	10-68mg/m ³	0.97	7.5795					
			Non-methane hydrocarbons	2.55mg/m ³	2.02	-					
			Sulphuric acid mist	1.04mg/m ³	0.05	-					
Noise	Noise at boundary met the standards of Category III of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)										

Sustainability *(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 for the year (t)	Approved annual discharge volume (t/a)	Way of discharge	Number of discharge outlets	Distribution of discharge outlet	Whether discharge limit was exceeded	Regulatory basis for pollutant discharge
4	Fujian Zijin Mineral Processing Chemicals Co., Ltd.	Wastewater	COD	114.67mg/L	1.5	1.673	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	1.74mg/L	0.022	0.167					
		Exhaust gas	Formaldehyde	0.50mg/m ³	0.026	-	Organised discharge after meeting regulatory standards	1	Exhaust pipe No. 1	No	Emission standard of volatile organic compounds for industrial enterprises (DB35/1782-2018)
			Methanol	16mg/m ³	0.76	-					
			Methylbenzene	0.40mg/m ³	0.06	-					
	Hydrogen chloride	2.50mg/m ³	0.18	-	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)		
	Noise	Noise at boundary met the standards of Category III of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)									
5	Fujian Jinshan High-abrasive Material Co., Ltd.	Exhaust gas	Particulates	4.72mg/m ³	8.03	-	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	Noise at boundary met the standards of Category III of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)								
6	Fujian Zijin Precious Metals Materials Co., Ltd.	Wastewater	Total cyanide	0.002mg/L	6.8x10 ⁻⁶	-	Organised discharge after meeting regulatory standards	1	Master discharge outlet of wastewater	No	Emission standards of pollutants for inorganic chemical industry (GB31573-2015)
			COD	36.95mg/L	0.013	-					
			Ammonia nitrogen	16.39mg/L	0.0052	-					
		Exhaust gas	Nitrogen oxides	11.94mg/m ³	0.02	-	Organised discharge after meeting regulatory standards	1	Acidic gas discharge outlet for argentic salt production line	No	
			Hydrogen cyanide	0.045mg/m ³	0.005	-	Organised discharge after meeting regulatory standards	1	Exhaust gas discharge outlet for auric and argentic salt production line	No	
	Ammonia gas	2.99mg/m ³	0.13	-							
	Noise	Noise at boundary met the standards of Category III of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)									

Sustainability *(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 for the year (t)	Approved annual discharge volume (t/a)	Way of discharge	Number of discharge outlets	Distribution of discharge outlet	Whether discharge limit was exceeded	Regulatory basis for pollutant discharge
7	Luoyang Zijin Yinhui Gold Refinery Co., Ltd.	Industrial wastewater	-	-	-	-	Not discharged and internally reused	0	N/A	No	No
		Exhaust gas	Hydrogen chloride	9.97mg/m ³	0.22	-	Organised discharge after meeting regulatory standards	1	Discharge outlet of purification section	No	Class 2 standards in Schedule 2 of the Integrated emission standard of air pollutants (GB16297-1996)
			Chlorine gas	0.96mg/m ³	0.022	-					
			Nitrogen oxides	15.17mg/m ³	0.34	-					
	Particulates	2.26mg/m ³	0.02	-	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)		
	Noise	Noise at boundary met the standards of Category II of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)									
8	Guizhou Zijin Gold Refining Co., Ltd.	Wastewater	COD	75mg/L	0.09	-	Organised discharge after meeting regulatory standards	1	Domestic sewage outlet	No	Class 3 standards of the Integrated wastewater discharge standard (GB8978-1996)
			Ammonia nitrogen	2.56mg/L	0.003	-					
			Suspended solids	9mg/L	0.01	-					
		Exhaust gas	Particulates	3.9mg/m ³	0.13	-	Organised discharge after meeting regulatory standards	1	Acid mist purification tower outlet	No	The maximum emission concentration limit in Schedule 2 of the Integrated emission standard of air pollutants (GB16297-1996)
Hydrogen chloride	9.4mg/m ³		0.31	-							
	Noise	Noise at boundary met the standards of Category II of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)									
9	Shanghang Zijin Jiabo Electronics New Material Technology Co., Ltd.	Industrial wastewater	Saponification solution	-	-	-	Outsourcing	0	No	No	No
		Noise	Noise at boundary met the standards of Category III of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)								
10	Zijin Mining Group Gold Jewelry Co., Ltd.	Wastewater	COD	400mg/L	0.92	-	Organised discharge after meeting regulatory standards	1	Wastewater treatment facility	No	Class 3 standards in Schedule 4 of the Integrated wastewater discharge standard (GB8976-1996)
			Ammonia nitrogen	40mg/L	0.082	-					
		Exhaust gas	Sulphuric acid mist	0.04mg/m ³	0.017	-	Organised discharge after meeting regulatory standards	1	1 set of acid mist spray tower + 20m exhaust pipe discharge	No	Emission standard of volatile organic compounds for industrial enterprises (DB35/1782-2018)
Hydrogen chloride	0.58mg/m ³		0.0062	-							
	Noise	Noise at boundary met the standards of Category III of the Emission standard for industrial enterprises noise at boundary (GB12348-2008)									
11	Xiamen Cross-Strait Gold Jewelry Industrial Park Co., Ltd.	Wastewater	COD	44.36mg/L	11.89	-	Organised discharge after meeting regulatory standards	1	Domestic sewage outlet	No	Wastewater quality standards for discharge to municipal sewers GB/T31962-2015 · Integrated wastewater discharge standard (GB 8978-1996)
			Ammonia nitrogen	18.22mg/L	4.88	-				No	

Note: According to the relevant regulations of the state's pollutant discharge permit, general discharge outlets only control the permitted concentration of discharge without verifying the total discharge volume. Environmental protection tax had been fully paid based on the discharge volume of pollutants.

Corporate Governance Report

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

The Company is committed to maintaining a high standard of corporate governance practices. Continuous efforts are made to review and enhance the Group's internal controls and procedures in light of changes in regulations and developments in best practices.

In the year ended 31 December 2022, the Company's corporate governance practices are based on the principles and code provisions set out in Appendix 14 Corporate Governance Code (the "CG Code") of the Listing Rules.

As required by provision C.6.3 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.

Save as disclosed above, the Board confirmed that for the year ended 31 December 2022, 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.

SECURITIES TRANSACTIONS BY THE DIRECTORS AND SUPERVISORS

The Company has adopted the Model Code 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, the Company confirmed that all Directors and Supervisors have complied with the provisions of the Model Code for the year ended 31 December 2022.

BOARD COMPOSITION AND PRACTICE

The Board is jointly responsible to all shareholders for leading and overseeing the operations of the Group so as to ensure the creation of shareholder value.

As at the date of this report, the Board comprises thirteen Directors, including six executive Directors, one non-executive Director and six independent non-executive Directors. The executive Directors are Mr. Chen Jinghe, Mr. Zou Laichang, Mr. Lin Hongfu, Ms. Lin Hongying, Mr. Xie Xionghui and Mr. Wu Jianhui; the non-executive Director is Mr. Li Jian; and the independent non-executive Directors are Mr. He Fulong, Mr. Mao Jingwen, Mr. Li Changqing, Mr. Suen Man Tak, Mr. Bo Shao Chuan and Ms. Wu Xiaomin. The biographical details of each Director are set out in the section headed "Brief Biography of Directors, Supervisors, Senior Management and Company Secretaries". There is no finance, business, family or other material/relevant relationship(s) among the members of the Board.

Pursuant to the Listing Rules, every board of directors of a listed issuer must include at least three independent non-executive directors. Furthermore, an issuer must appoint independent non-executive directors representing at least one-third of the Board. The Company currently has six independent non-executive Directors, representing more than one-third of the Board. The professional composition of independent non-executive Directors is: one independent non-executive Director who is an experienced accountant with expertise in accounting and financial management and one independent non-executive Director who is a barrister with expertise in Hong Kong laws.

As at 31 December 2022, all the non-executive Directors were appointed from their respective appointment date to 29 December 2025. Details are set out in the Report of the Directors.

Mr. Chen Jinghe is the chairman of the current Board and Mr. Zou Laichang is the president of the Company in the current term. The structure does not deviate from provision C.2.1 of the CG Code.

Corporate Governance Report *(continued)*

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

Led by the chairman of the Board, the Board is responsible for approving and monitoring the overall development strategies of the Group, approving annual budgets and business plans, approving major investment projects related to the business development of the Group, assessing the performance of the Group, supervising the work of the management and ensuring that the Board acts in the best interests of the Group. The chairman should ensure that the Board operates effectively, discharges its proper duties and holds discussions on various important and proper businesses of the Company in a timely manner. All Directors are entitled to propose any matters which need to be submitted to the Board for discussion in the agenda of a Board meeting. The chairman has delegated the secretary to the Board to draft the agenda of each Board meeting. With the assistance of executive Directors, the secretary to the Board and the company secretary, the chairman will ensure that all Directors will be provided with sufficient and reliable information in a timely manner to enable them to make necessary analysis based on their business expertise.

As the president of the Company, Mr. Zou delegates the daily operation management sufficiently. Executive Directors and vice-presidents of the Group are responsible for the daily management of various businesses, including executing resolutions of the Board, and are accountable to the president for the business operations of the Group. The president of the Company is accountable to the Board for the overall operations of the Group.

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 or related financial management expertise. Brief biography of the independent non-executive Directors is provided in this report.

All independent non-executive Directors of the seventh term have submitted annual confirmations of their independence pursuant to Rule 3.13 of the Listing Rules. The Group considers that all independent non-executive Directors have complied with the independence guideline set out in Rule 3.13 of the Listing Rules and are considered as independent directors pursuant to the provisions of the guideline.

DIVERSITY POLICY

The board diversity policy of the Company became effective in 2019. When the Company designs the Board composition, it will consider the Board's diversity from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service, perspectives and insights to be brought to the Board, skills and experience, and any other factors that the Board may consider relevant and applicable from time to time. All Board appointments will be based on merit, and candidates will be considered against objective criteria, with due regard for the benefits of diversity on the Board.

The Nomination and Remuneration Committee of the Board has set measurable objectives based on key areas including gender, age, cultural and educational background and professional experience to implement the board diversity policy. The Nomination and Remuneration Committee will review the board diversity policy as appropriate; and review the measurable objectives that the Board has set for implementing the board diversity policy, and the progress on achieving the objectives, to ensure its continued effectiveness from time to time.

The Board targets to achieve gender diversity on the Board, which shall not be lower than the Listing Rules' requirement. The Board is committed to further improving gender diversity as and when suitable Director candidates are identified. Currently, there are 11 male and 2 female Board members, which meet the requirements under the Listing Rules. The Nomination and Remuneration Committee is of the view that the Board has the combination of diversity and balance and is suitable for the business of the Group.

Corporate Governance Report *(continued)*

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The Company implements a diversified employment policy. It provides women with equal employment opportunities, ensures equal pay for male and female employees for equal work, and provides women with gender-appropriate physical and mental health facilities and career development plans. As at 31 December 2022, the ratio of female employees of the Company was 14.92%.

For further details about how the Company achieves gender diversity, please refer to the Company's 2022 Environmental, Social and Governance Report.

ZIJIN CULTURE AND PHILOSOPHY SYSTEM

(I) Central layer of Zijin culture

The Company has set "mining for a better society" as the purpose, "providing the materials that improve standards of living in a low carbon future" as the mission, "to become a globally respected producer of green metals" as the vision, "to be a green, high-tech, leading global mining company" as the goal, "to deliver long-term value for common development" as the values, and "perseverance, entrepreneurship, innovation" as the enterprise spirit.

(II) Strength layer of Zijin culture

The Company has set the innovation philosophy of "innovation is a company's core competitiveness; innovation is about appropriately applying scientific principles in objective reality; the best innovation is the one that suits you the most; innovation is a process of constantly reinventing oneself" as the driving force; the Company and employee credo of "integrity, diligence, collaboration and fraternity" as the cohesion; the competitiveness of "synergy from a system for responsible ESG management; management expertise underpinned by the 'five-stage life-of-mine project management procedure by in-house capabilities', and deep cultural integration and effective team execution" as the sustainability; and "putting value creators first" as people approach to develop the Company's organisational strength.

(III) Outside layer of Zijin culture

The cultural brand of the Company is the "Gold Mine Culture", which reveals "the pioneering cultural character, innovative cultural features, persistent cultural spirit, and virtuous cultural sentiment".

ANTI-CORRUPTION POLICY

We are committed to conducting business in compliance with all applicable laws and regulations and the highest ethical standards. We promise to conduct our business with professionalism, honesty, and integrity in all business transactions and relationships and prohibit any activities that adversely affect the integrity and reputation of the Company. Creating a fair, transparent, and honest work and business environment is our goal. We have zero tolerance for bribery, extortion, and corruption. We require every project we operate, as well as every Director, employee, supplier, and contractor we work with, to comply with it.

WHISTLE-BLOWING POLICY

We encourage all stakeholders to report truthfully any possible violations of business ethics management. To ensure that stakeholders' petitions are promptly and effectively dealt with, the Company has set up a grievance and whistle-blowing mechanism for stakeholders. We have issued the Policy Statement on Whistle-blowing Management and formulated the Written and In-person Whistle-blowing Management Measures to regulate whistle-blowing work.

Protecting whistle-blowers' rights and interests is of importance in our anti-corruption work. In order to gain the trust of whistle-blowers and increase their willingness to report, we encourage anonymous reporting, and at the same time, we receive and accept whistle-blowing reports and complaints through dedicated personnel, at dedicated locations, on dedicated telephone number and mailboxes or through third parties. We register every report individually and take strict measures, such as encrypting, proper storage and implementing strict control on the number of people with access to the information, to keep the information confidential. At the same time, we have established recusal mechanism, any personnel who is a properly interested person with the whistle-blower or who has connection with the information reported must take the initiative to recuse themselves. We take serious actions against anyone who takes threatening or retaliatory actions. Depending on the actual situation, we may resort to disciplinary actions, dismissal, or even transfer the case to judicial authorities to pursue civil and criminal responsibilities.

Corporate Governance Report *(continued)*

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

INFORMATION ON CORPORATE GOVERNANCE

(I) The rules followed by the Company's corporate governance

The Company is wholly listed in Shanghai and Hong Kong. The Company regards legal compliance as the cornerstone for sustainable development, and follows the laws and regulations of the localities of the projects including the relevant requirements of the Company Law of the PRC, the Securities Law of the PRC, Code of Corporate Governance for Listed Companies of the CSRC, 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 so on.

The Company raises the level of governance with global vision. It respects international standards and other best practices of the industry, including the Ten Principles of United Nation Global Compact, the United Nations Guiding Principles on Business and Human Rights, the United Nations Convention against Corruption, Responsible Gold Mining Principles, deeply integrates the ESG governance idea with the corporation's actual situation, and builds a governance model which follows international standards with Zijin characteristics.

The Company insists on the Zijin culture and philosophy system with "common development" as the core, respects the opinions and demands of all shareholders, investors, employees, collaborators and other stakeholders, which has become the important prerequisite and security for the Company to practise corporate governance.

Corporate governance highlights

– Effective development of a Board with strategies

The Board grasps the important opportunities brought by the development of green metals and the new energy and advanced material industry. The Board has determined that the major tension of the Company at the current stage is "the tension between the increasing globalisation and restrictive domestic thinking and management style". It has formulated and published the Outline of Three-Year (2023-2025) Plan and Development Goals for 2030, Guiding Opinion on the Work for Three Years (2023-2025), the Action Programme on Climate Change, the phase 2 Proposal of deepening reform (2023-2025) and other important programmatic documents, which has drawn the magnificent blueprint to fully develop the Company into a "green, high-tech, leading global mining company" by 2030 and a "green, high-tech, top global mining company" by 2040.

– Completion of the transition to a new term of the Board, the Supervisory Committee and senior management

The transition to a new term of the Board, the Supervisory Committee and senior management of the Company was completed. Most of the personnel of the seventh term remain, and the Company's strategies remain stable and will be executed consistently. At the same time, the Company includes more diversified and younger professional personnel into the management. Among which, Mr. Wu Jianhui and Ms. Wu Xiaomin have joined the Board, Mr. Qiu Shujin and Ms. Lin Yan have joined the Supervisory Committee, and Mr. Wang Chun and Mr. Liao Yuanhang have joined the senior management.

– ESG indicators were included in remuneration and assessment

During the formulation of the remuneration and assessment proposal for the new term of the Directors, Supervisors and senior management, the Company stresses that remunerations shall match the Company's position in the international industry, align with the Company's operating results and returns to the shareholders, commensurate with individual's duties, contributions and performance, link to the Company's market capitalisation and market performance, and follow the principle of linking the Company's sustainable development and ESG indicators. Among which, the ESG indicators, which include environment, safety, society, governance, significant ESG issues, ESG ratings, etc., shall not be lower than 20% of the assessment of incentive salaries and the corresponding weight. The assessment coefficients can be adjusted during the appraisals of the teams and individuals.

Corporate Governance Report *(continued)*

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

– **The governance function of independent non-executive Directors was fully leveraged**

The Company has 6 independent non-executive Directors and 1 non-executive Director, accounting for 54% of the Board members. The Company amended the Rules on Work for Independent Directors, set up a convener of independent Directors to ensure the independent non-executive Directors can discharge their duties more efficiently. All of the members or the majority of the members in 3 out of the 4 specialised committees of the Board are independent non-executive Directors and non-executive Director. Among which, independent non-executive Directors serve as the chief officer of the Audit and Internal Control Committee and the Nomination and Remuneration Committee. The independent non-executive Directors share their opinion on the Company's strategies, standardised operation, operation and management, risk and internal control and other material matters in the shareholders' general meetings, Board meetings and meetings of specialised committees by leveraging their respective strengths in the professional fields. They form internal balance within the Board. The decision-makings of the Board become more scientific and professional. The independent non-executive Directors cannot serve as any positions within the Company except the Directors.

– **Enhancement of the diversity of the Board and the Supervisory Committee**

The Company enhanced the diversity of the Board and the Supervisory Committee following the international ESG governance concept. The number of female directors in the new term increased to 2, raising the proportion to 15.4%. Among which, there are one female executive Director and one female independent non-executive Director. There is also one female supervisor (who is also serving as also external Supervisor), raising the proportion to 20%. The current members of the Board and the Supervisory Committee possess rich experience in mining, capital, finance, law, risk control and other areas. The structure of professions is reasonable. They have the knowledge, skills and qualifications required for discharging their duties.

– **Continuous strengthening of the risk prevention and control ability**

The Company attaches great importance to preventing and resolving the risk of overseas investments, as well as the identification of and countermeasures to potential risks in global geopolitics, laws and regulations, labour policies, culture and custom, market environment, interest rate and exchange rate, tax policies, supply chain, cross-border connected transactions, etc. The Company improves the "five-in-one" supervision system. During the reporting period, the Company published the Policy Statement on Business Ethics Management and the Policy Statement on Whistleblowing Management, integrating supervision, anti-corruption and business ethics with responsible supply chain in a deeper extent. The Supervisory Committee was included in the "List of Best Practices of Supervisory Committee of Listed Companies" of the China Association for Public Companies in 2022. The Company was the only mining company in the list.

– **The strategic system of global talents gradually improved**

The Company insists on the employment strategies with global vision, market orientation and local employment to build up Zijin's global human resources system. As at the end of the reporting period, the Company's local employment rate reached 96.3%. Its internationalisation level was significantly raised. The Company fully carried out plans to raise the quality of all employees. It organises a batch of trainings on major subjects such as geology, mining, processing, metallurgy and general skills. The Company optimises employee performance assessment and remuneration incentive mechanism, implemented share incentive scheme provides special annual bonus, specific overseas subsidies, etc., to further allow the employees to share the fruits of corporate development.

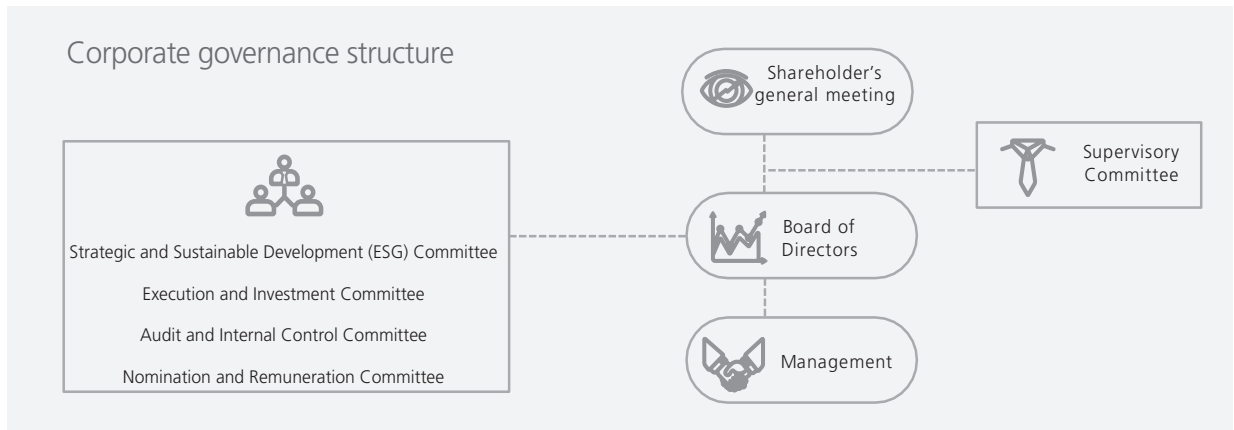
– **Upgrade of the Zijin culture and philosophy system**

On the basis of preserving and passing on the outstanding Zijin cultural values, the Company has integrated global vision and international mindset into its culture and philosophy system. It places great importance on universal values such as "low-carbon" and "environmentally-friendly", and develops a community of common destiny with the places where the projects of the Company locate. To this end, the Company has issued the Zijin culture and philosophy system, which is significant to guide the Company's multinational operations governance. The Company has also formulated several guidance to guide Zijin staff and collaborators around the world, including the Corporate Code of Conduct.

Corporate Governance Report *(continued)*

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(II) Basic structure of corporate governance



The ownership of the Company is separated from its operation. The shareholder's general meeting, the Board, the Supervisory Committee and the management bear their own responsibilities, work with the shared goals, highly cooperate and supplement with each other, generating positive synergy among direction setting, decision-making, supervision and implementation.

The shareholders' general meeting is the highest authority of the Company. The Company convenes and holds the shareholders' general meetings strictly in compliance with the provisions of the articles of association of the Company and the Rules Governing the Procedures of the Shareholders' General Meeting, so that all of the Company's shareholders, especially the minority shareholders, could enjoy equal rights and fully exercise their voting rights.

The Board is responsible for exercising the right of operation and management. Pursuant to the provisions of the articles of association, the Board comprises 13 Directors, which are elected by the shareholders' general meeting and have a term of 3 years. During the formation of the Board, the gender, age, educational background, professional experience, skills and knowledge, service tenure, etc. of the candidates will all be considered.

There are four specialised committees under the Board, including the Strategic and Sustainable Development (ESG) Committee, Execution and Investment Committee, Audit and Internal Control Committee and Nomination and Remuneration Committee.

The Supervisory Committee is a supervisory body of the Company. Pursuant to the articles of association, the Supervisory Committee comprises five members, including two Supervisors representing workers and staff who are elected at the meeting of the representatives of workers and staff. Having the attitude of being responsible to shareholders, the Supervisory Committee discharges their duties in a conscientious manner, inspects the performance of the Directors and senior management personnel and the legality and compliance of the Company's financial issues to fully safeguard the lawful rights and interests of the Company and its shareholders. The Company has developed a "five-in-one" supervisory mechanism with Zijin characteristics. Under the Supervisory Committee, there is a Supervision and Audit Office which is an institution responsible for supervising the legal compliance in the Company's day-to-day operation, regulating financial operations, etc.

The Company attaches great importance to communication with shareholders and investors as well as protecting their interests. The Company conducts communication with various channels, including shareholders' general meetings, results briefings, reverse roadshows, investors reception days, company website, etc. At the same time, the Company keeps an open mind, pays attention to the feedback of external shareholders and investors in order to further optimise and enhance the levels of corporate governance and operation of the Company.

Corporate Governance Report *(continued)*

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

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
2021 annual general meeting	17 May 2022	www.hkexnews.hk	17 May 2022	For details, please refer to the Resolutions Passed at the 2021 Annual General Meeting of the Company disclosed on HKEXnews website (http://www.hkexnews.hk) dated 17 May 2022
The first extraordinary general meeting in 2022	30 December 2022	www.hkexnews.hk	30 December 2022	For details, please refer to the Resolutions Passed at the First Extraordinary General Meeting in 2022 of the Company disclosed on HKEXnews website (http://www.hkexnews.hk) dated 30 December 2022

Directors' meeting convened during the reporting period

Session of the meeting	Convention date	Resolutions of the meeting
The first extraordinary meeting of the seventh term of the Board in 2022	14 January 2022	For details, please refer to the Company's announcement disclosed on HKEXnews website (http://www.hkexnews.hk)
The second extraordinary meeting of the seventh term of the Board in 2022	26 February 2022	For details, please refer to the Company's announcement disclosed on HKEXnews website (http://www.hkexnews.hk)
The third extraordinary meeting of the seventh term of the Board in 2022	28 February 2022	For details, please refer to the Company's announcement disclosed on HKEXnews website (http://www.hkexnews.hk)
The fourth extraordinary meeting of the seventh term of the Board in 2022	6 March 2022	The Board listened to the reporting matters and there was no matters to be resolved. No resolution documents were prepared.
The fifth extraordinary meeting of the seventh term of the Board in 2022	10 March 2022	The Board listened to the reporting matters and there was no matters to be resolved. No resolution documents were prepared.
The tenth meeting of the seventh term of the Board	18 March 2022	For details, please refer to the Company's announcement disclosed on HKEXnews website (http://www.hkexnews.hk)
The eleventh meeting of the seventh term of the Board	11 April 2022	For details, please refer to the Company's announcement disclosed on HKEXnews website (http://www.hkexnews.hk)
The sixth extraordinary meeting of the seventh term of the Board in 2022	28 April 2022	For details, please refer to the Company's announcement disclosed on HKEXnews website (http://www.hkexnews.hk)
The seventh extraordinary meeting of the seventh term of the Board in 2022	5 May 2022	The Board listened to the reporting matters and there was no matters to be resolved. No resolution documents were prepared.

Corporate Governance Report *(continued)*

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

Session of the meeting	Convention date	Resolutions of the meeting
The eighth extraordinary meeting of the seventh term of the Board in 2022	8 May 2022	For details, please refer to the Company's announcement disclosed on HKEXnews website (http://www.hkexnews.hk)
The ninth extraordinary meeting of the seventh term of the Board in 2022	17 May 2022	For details, please refer to the Company's announcement disclosed on HKEXnews website (http://www.hkexnews.hk)
The tenth extraordinary meeting of the seventh term of the Board in 2022	17 June 2022	For details, please refer to the Company's announcement disclosed on HKEXnews website (http://www.hkexnews.hk)
The eleventh extraordinary meeting of the seventh term of the Board in 2022	24 June 2022	The matters regarding the Board resolution(s) did not meet the threshold to make disclosure. The Company completed filing at the Shanghai Stock Exchange.
The twelfth extraordinary meeting of the seventh term of the Board in 2022	29 June 2022	For details, please refer to the Company's announcement disclosed on HKEXnews website (http://www.hkexnews.hk)
The thirteenth extraordinary meeting of the seventh term of the Board in 2022	8 July 2022	For details, please refer to the Company's announcement disclosed on HKEXnews website (http://www.hkexnews.hk)
The twelfth meeting of the seventh term of the Board	12 August 2022	For details, please refer to the Company's announcement disclosed on HKEXnews website (http://www.hkexnews.hk)
The fourteenth extraordinary meeting of the seventh term of the Board in 2022	11 October 2022	For details, please refer to the Company's announcement disclosed on HKEXnews website (http://www.hkexnews.hk)
The fifteenth extraordinary meeting of the seventh term of the Board in 2022	18 October 2022	For details, please refer to the Company's announcement disclosed on HKEXnews website (http://www.hkexnews.hk)
The thirteenth meeting of the seventh term of the Board	21 October 2022	For details, please refer to the Company's announcement disclosed on HKEXnews website (http://www.hkexnews.hk)
The sixteenth extraordinary meeting of the seventh term of the Board in 2022	31 October 2022	The matters regarding the Board resolution(s) did not meet the threshold to make disclosure. The Company completed filing at the Shanghai Stock Exchange.
The seventeenth extraordinary meeting of the seventh term of the Board in 2022	6 November 2022	For details, please refer to the Company's announcement disclosed on HKEXnews website (http://www.hkexnews.hk)
The eighteenth extraordinary meeting of the seventh term of the Board in 2022	12 November 2022	The matters regarding the Board resolution(s) did not match the disclosure criteria. The Company completed filing at the Shanghai Stock Exchange.
The nineteenth extraordinary meeting of the seventh term of the Board in 2022	21 November 2022	For details, please refer to the Company's announcement disclosed on HKEXnews website (http://www.hkexnews.hk)
The twentieth extraordinary meeting of the seventh term of the Board in 2022	9 December 2022	For details, please refer to the Company's announcement disclosed on HKEXnews website (http://www.hkexnews.hk)
The first meeting of the eighth term of the Board	30 December 2022	For details, please refer to the Company's announcement disclosed on HKEXnews website (http://www.hkexnews.hk)

Corporate Governance Report *(continued)*

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DISCHARGE OF DUTIES OF DIRECTORS

The attendance of Directors at the Board meetings and shareholders' general meetings

Name of Director	Independent Director	Attendance of Board meetings					Attendance of shareholders' general meetings	
		Number of Board meetings ought to be attended this year	Attended in person	Attended via telecommunication	Attended by proxy	Absent	Not attending in person for 2 consecutive meetings	Number of shareholders' general meetings attended
Chen Jinghe	No	25	16	9	0	0	No	2
Zou Laichang	No	25	15	9	1	0	No	2
Lin Hongfu	No	25	16	9	0	0	No	2
Lin Hongying	No	25	16	9	0	0	No	2
Xie Xionghui	No	25	16	9	0	0	No	2
Wu Jianhui	No	1	1	0	0	0	No	1
Li Jian	No	25	15	9	1	0	No	2
He Fulong	Yes	25	15	9	1	0	No	2
Mao Jingwen	Yes	25	15	9	1	0	No	2
Li Changqing	Yes	25	13	9	3	0	No	2
Suen Man Tak	Yes	25	16	9	0	0	No	2
Bo Shao Chuan	Yes	25	16	9	0	0	No	2
Wu Xiaomin	Yes	1	1	0	0	0	No	1
Lan Fusheng	No	24	15	9	0	0	No	2
Zhu Guang	Yes	11	9	2	0	0	No	1

Number of Board meetings held in 2022	25
In which, number of physical meetings	16
number of meetings via telecommunication	9
number of physical meetings combined with telecommunication	0

The Strategic and Sustainable Development (ESG) Committee convened the strategic development retreat meeting in January 2023

Convention date	Meeting	Significant opinions and suggestions	Other details of discharge of duties
28-29 January 2023	Strategic development retreat meeting of the eighth term of the Board	Summarised the work of the Company for the 3 years (2020-2022), analysed on the situations of the global and Chinese economy, society and mining industry, pointed out the major tensions of the Company's current development, and determined the development direction, strategy, goals, missions and key measures for the new 3 years and the future.	

Corporate Governance Report *(continued)*

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

The Execution and Investment Committee convened 22 meetings during the reporting period

Convention date	Meeting	Significant opinions and suggestions	Other details of discharge of duties
13 January 2022	The forty-seventh meeting of the seventh term	In accordance with the Board's requirements regarding the management on strategies, investment and significant matters, the Execution and Investment Committee conducted review or research and formulated decisions or guiding opinions regarding the Company's important regulation amendments (formulation), external investment, project construction or technological upgrade, disposals of assets, disposals of equity interests or mining permits, deregistration of subsidiaries and other important production and operation matters, reported the same to the Board according to the authority stated in the rules or formulated the matters into resolutions and submitted to the Board for consideration in a timely manner.	
24 January 2022	The forty-eighth meeting of the seventh term		
1 March 2022	The forty-ninth meeting of the seventh term		
5 March 2022	The fiftieth meeting of the seventh term		
18 March 2022	The fifty-first meeting of the seventh term		
11 April 2022	The fifty-second meeting of the seventh term		
21 April 2022	The fifty-third meeting of the seventh term		
24 April 2022	The fifty-fourth meeting of the seventh term		
17 May 2022	The fifty-fifth meeting of the seventh term		
6 June 2022	The fifty-sixth meeting of the seventh term		
14 July 2022	The fifty-seventh meeting of the seventh term		
21 July 2022	The fifty-eighth meeting of the seventh term		
27 July 2022	The fifty-ninth meeting of the seventh term		
29 July 2022	The sixtieth meeting of the seventh term		
12 August 2022	The sixty-first meeting of the seventh term		
19 September 2022	The sixty-second meeting of the seventh term		
21 September 2022	The sixty-third meeting of the seventh term		
8 October 2022	The sixty-fourth meeting of the seventh term		
21 October 2022	The sixty-fifth meeting of the seventh term		
28 October 2022	The sixty-sixth meeting of the seventh term		
9 December 2022	The sixty-seventh meeting of the seventh term		
14 December 2022	The sixty-eighth meeting of the seventh term		

Corporate Governance Report *(continued)*

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

The Audit and Internal Control Committee convened 7 meetings during the reporting period

Convention date	Meeting	Significant opinions and suggestions	Other details of discharge of duties
3 March 2022	The second communication meeting for the audit of 2021 annual report	The Audit and Internal Control Committee of the Board received reports from the Company's management regarding the Company's production and operating status, investing and financing activities and other significant events in the year, communicated with the audit firm for the annual audit matters, supervised and evaluated the work of the audit institution, reviewed and provided opinion for the Company's annual report, interim report and quarterly reports; enhanced its knowledge of the Company's business by participating in the operation analysis meetings of the subsidiaries and conducting research of the subsidiaries. It also provided guidance on the Company's internal audit, internal control, etc.	
17 March 2022	Review meeting for 2021 annual report		
11 April 2022	Review meeting for first quarterly report 2022		
17 May 2022	Risk warning and management suggestion exchange meeting		
11 August 2022	Review meeting for interim report 2022		
19 October 2022	Review meeting for third quarterly report 2022		
12 December 2022	The first communication meeting for the audit of 2022 annual report		

The Nomination and Remuneration Committee convened 3 meetings during the reporting period

Convention date	Meeting	Significant opinions and suggestions	Other details of discharge of duties
17 March 2022	The sixth meeting of the seventh term of the Nomination and Remuneration Committee	The Nomination and Remuneration Committee of the Board reviewed the proposal for the remuneration of the executive Directors, chairman of the Supervisory Committee and senior management of the Company based on the operating results for the year 2021, and submitted the proposal to the Board and shareholders' general meeting for approval. The proposal highlighted the requirements on the Company's sustainable development and ESG key performance, and better aroused the enthusiasm and sense of responsibility of the Directors, the Supervisors and the senior management.	
9 December 2022	The seventh meeting of the seventh term of the Nomination and Remuneration Committee		
30 December 2022	The first meeting of the eighth term of the Nomination and Remuneration Committee		

Corporate Governance Report *(continued)*

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

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for formulating the policies for the corporate governance of the Company and performing the corporate governance duties as below:

- (i) To formulate and review the Group's policies and practices on corporate governance and make recommendations;
- (ii) To review and monitor the training and continuous professional development of the Directors and senior management;
- (iii) To review and monitor the Group's policies and practices on compliance with legal and regulatory requirements;
- (iv) To develop, review and monitor the code of conduct and compliance manual (if any) applicable to the employees of the Group and the Directors; and
- (v) To review the Group's compliance with the CG Code and disclosure requirements in the corporate governance report.

CONTINUOUS PROFESSIONAL DEVELOPMENT

The Directors have been informed of the requirements under provision C.1.4 of the CG Code regarding continuous professional development. For the year ended 31 December 2022, all the Directors studied the training materials in relation to the Listing Rules provided by the Company to develop and refresh the Directors' knowledge and skills as directors of companies listed on the Hong Kong Stock Exchange.

NOMINATION AND REMUNERATION OF THE DIRECTORS

The Board established the Nomination and Remuneration Committee. It comprises independent non-executive Directors, namely Mr. He Fulong, Mr. Suen Man Tak, Mr. Bo Shao Chuan, non-executive Director, Mr. Li Jian, and the chairman of the Board, Mr. Chen Jinghe. The chief officer of the committee is Mr. He Fulong. The Nomination and Remuneration Committee also comprises various working group members. The Policy for the Nomination and Remuneration Committee would be amended pursuant to the amendments to the CG Code. The Policy and the terms of reference of the Nomination and Remuneration Committee are available on the website of the Company.

The major responsibilities of the Nomination and Remuneration Committee during the year were:

- To regularly review structure, size and composition (including skills, knowledge and experiences) of the Board, and propose any possible changes to the Board;
- To look for qualified person to take up the position of Director, select and nominate candidates or provide suggestions to the Board;
- To assess the independence of the independent non-executive Directors;
- To make recommendations on appointment, re-appointment and succession planning for the Directors (in particular the chairman and president) to the Board;
- To formulate the remuneration plan and reward and penalty plan (including reviewing and/or approving matters relating to share schemes) for the Directors and senior management;
- To appraise and evaluate the discharge of duties of the Directors and senior management; and
- To ensure that no Director or his/her associates can determine his/her own remuneration.

For the nomination procedure of the Directors, please refer to the Policy for the Nomination and Remuneration Committee of the Board of the Company.

Corporate Governance Report *(continued)*

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

PROCEDURE AND BASIS FOR DETERMINATION OF REMUNERATION

Pursuant to the articles of association of the Company, the remuneration plan and the reward and penalty plan for the Directors, Supervisors and senior management shall be proposed by the Nomination and Remuneration Committee. Remuneration of executive Directors and the chairman of the Supervisory Committee shall be considered and approved in a shareholders' general meeting. Remuneration of senior management shall be considered and approved by the Board. Determination of the remuneration of the Directors, Supervisors and senior management shall be based on the annual operating results of the Company and resolutions of the shareholders' general meeting/Board meeting.

The Nomination and Remuneration Committee is delegated by the Board to advise on the specific remuneration packages for all executive Directors and senior management, including non-monetary benefits, pensions and compensation (including compensation for loss or termination of office or appointment), and make suggestions to the Board for the remuneration of non-executive Directors. The Nomination and Remuneration Committee should consider the factors including the remuneration packages in comparable companies, time devoted by and duties of the Directors, conditions of employment of other positions within the Group, whether to adopt performance-based remuneration, etc.

THE ATTENDANCE OF NOMINATION AND REMUNERATION COMMITTEE MEETINGS

Name of Director	Number of committee meetings	Attended	Absent
He Fulong <i>(Chief officer) (Deputy officer from 1 January 2022 to 16 June 2022 and appointed as the chief officer on 17 June 2022)</i>	3	3	0
Suen Man Tak	3	3	0
Bo Shao Chuan <i>(appointed as a committee member on 30 December 2022)</i>	1	1	0
Chen Jinghe <i>(Chairman)</i>	3	3	0
Li Jian	3	3	0
Zhu Guang <i>(resigned from the position of chief officer on 17 June 2022)</i>	1	1	0
Mao Jingwen <i>(resigned from the position of committee member on 29 December 2022)</i>	2	2	0

Corporate Governance Report *(continued)*

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

REMUNERATION OF THE DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Decision-making procedures for the remuneration of the Directors, Supervisors and senior management	<ul style="list-style-type: none"> – The proposal in relation to remuneration and allowances of the Company's Directors, Supervisors and senior management was approved at the shareholders' general meeting and the Board meeting, respectively. – The annual performance and remuneration assessment plan was proposed by the Nomination and Remuneration Committee of the Board. The Nomination and Remuneration Committee of the Board was responsible for the detailed implementation after the plan was considered and approved by the Board.
Basis for determining the remuneration of the Directors, Supervisors and senior management	<ul style="list-style-type: none"> – The remuneration and assessment proposal of the Directors, Supervisors and senior management of the seventh term was approved at the Company's second extraordinary general meeting in 2019 and the first meeting of the seventh term of the Board on 30 December 2019, and the amendments to the abovementioned proposal were approved at the Company's third extraordinary general meeting in 2020 and the twenty-seventh extraordinary meeting in 2020 of the seventh term of the Board held on 29 December 2020. – The remuneration and assessment proposal of the Directors, Supervisors and senior management of the eighth term was approved at the Company's first extraordinary general meeting in 2022 and the first meeting of the eighth term of the Board held on 30 December 2022. The remunerations of the Directors, Supervisor and senior management of the eighth term of the Company are determined based on the abovementioned remuneration system.

ANNUAL REMUNERATION OF THE DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Details of the remuneration of the Directors and Supervisors of the Company are set out in Note XIV.3 to the financial statements.

In the year 2022, there was no arrangement under which a Director or a Supervisor waived or agreed to waive any emoluments.

In the year 2022, the details of the remuneration payable to members of senior management of the seventh term (terms ended on 29 December 2022, excluding the Directors and Supervisors) by band are as follows:

RMB6,000,001 – RMB7,000,000	5
RMB7,000,001 – RMB8,000,000	1

AUDITOR'S REMUNERATION

For the year ended 31 December 2022, the audit fee charged by the auditor of the Company was RMB13,980,000. RMB300,000 was also charged by the Company's auditor for providing professional services relating to the Company's public issuance of convertible corporate bonds. In addition, members of the auditor's network provided consultation services to the Company. Details of the charges are as follows: HKD324,900 for providing taxation services to the Group's subsidiaries incorporated in Hong Kong, RMB2,191,357 for providing tax consultation to the Group's overseas subsidiaries, and RMB800,000 for providing financial and tax due diligence to the Group.

AUDIT AND INTERNAL CONTROL COMMITTEE

The Audit and Internal Control Committee comprises independent non-executive Directors, namely Mr. Li Changqing, Ms. Wu Xiaomin, Mr. He Fulong, Mr. Suen Man Tak and Mr. Bo Shao Chuan. The chief officer of the committee is Mr. Li Changqing and the deputy officer is Ms. Wu Xiaomin.

Corporate Governance Report *(continued)*

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

THE ATTENDANCE OF AUDIT AND INTERNAL CONTROL COMMITTEE MEETINGS

Name of Director	Number of committee meetings	Attended	Absent
Li Changqing (<i>Chief officer</i>)	7	7	0
Wu Xiaomin (<i>Deputy officer</i>) (<i>appointed as the deputy officer on 30 December 2022</i>)	0	0	0
He Fulong (<i>Deputy officer from 1 January 2022 to 29 December 2022</i>)	7	7	0
Suen Man Tak	7	7	0
Bo Shao Chuan	7	7	0
Li Jian (<i>resigned as a committee member on 29 December 2022</i>)	7	7	0
Zhu Guang (<i>resigned as a committee member on 17 June 2022</i>)	4	4	0

The Board considers that members of the Audit and Internal Control Committee have sufficient professional knowledge and experience in accounting and financial management to enable them to discharge their duties.

The terms of reference of the Audit and Internal Control Committee are available on the website of the Company.

The major responsibilities of the Audit and Internal Control Committee during the year were:

- To propose hiring or changing of the external audit institution;
- To oversee the Company's internal audit system and its implementation;
- To audit the Company's financial information and its disclosures (including annual report, interim report, quarterly reports and any feasible financial review);
- To review the risk management and internal control systems, the effectiveness of the Company's internal audit function, and its other duties under the CG Code; and
- To audit and review the Company's financial reporting, risk management and internal control systems and to audit material connected transactions.

The Audit and Internal Control Committee has held meetings on a regular basis since its establishment and convened 7 meetings during the reporting period.

In the meetings held in March 2022, the committee reviewed the work report prepared by the Supervisory and Audit Office of the Group and reviewed the auditor's report and connected transactions of the Group for the year 2021, and also submitted its concluding opinions on relevant connected transactions and the audit to the Board.

In the meeting held in April 2022, the committee reviewed the first quarterly report of the Group for the year 2022 and submitted its concluding opinion on the audit to the Board.

In the meeting held in August 2022, the committee reviewed the interim report for the year 2022 and connected transactions of the Group, and reviewed the effectiveness of the Group's risk management and internal control systems and submitted its concluding opinions on the audit to the Board.

In the meeting held in October 2022, the committee reviewed the third quarterly report of the Group for the year 2022 and submitted its concluding opinions on the audit to the Board.

The Audit and Internal Control Committee communicated with the auditor for the key focusing issues before the auditor started the audit field work for the year 2022, during the audit process and after the first draft of auditor's report was issued respectively. The Audit and Internal Control Committee convened a meeting on 22 March 2023, at which it considered and approved the 2022 annual report of the Company and considered that: there is no material omission in the 2022 annual financial report issued by Ernst & Young Hua Ming LLP, it fairly presented the financial position of the Company as at 31 December 2022 and the production and operating results of 2022 in all material aspects, and the committee agreed to submit the aforementioned documents to the Board for consideration.

Corporate Governance Report *(continued)*

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

THE ATTENDANCE OF EXECUTION AND INVESTMENT COMMITTEE MEETINGS

Name of Director	Number of committee meetings	Attended	Absent
Chen Jinghe <i>(Chairman) (Chief officer)</i>	22	22	0
Zou Laichang <i>(Vice-chairman, president) (appointed as the deputy officer on 30 December 2022)</i>	22	21	1
Lin Hongfu	22	22	0
Lin Hongying	22	22	0
Xie Xionghui	22	22	0
Wu Jianhui <i>(appointed as a committee member on 30 December 2022)</i>	0	0	0
Lan Fusheng <i>(resigned from the position of deputy officer on 29 December 2022)</i>	22	21	1

DIRECTORS' RESPONSIBILITIES IN RESPECT OF FINANCIAL REPORTS

All Directors of the Group have acknowledged their responsibilities for preparing the financial reports of the Group. The Directors ensure that the preparation of financial reports of the Group is in compliance with relevant laws, regulations and applicable accounting standards and financial reports of the Group are issued in a timely manner.

The responsibility statement made by the auditor of the Company in respect of financial reports of the Group is set out in the auditor's report.

COMPANY SECRETARIES

As at the date of this report, Ms. Zhang Yan and Mr. Ho Kin Wai are the joint company secretaries. Details of their biography are set out in the section headed "Brief Biography of Directors, Supervisors, Senior Management and Company Secretaries" of this report. Mr. Fan Cheung Man, the then company secretary who resigned on 29 December 2022, took no less than 15 hours of relevant professional training for the year ended 31 December 2022 as required by the Listing Rules.

SHAREHOLDING INTERESTS OF SENIOR MANAGEMENT

Details of shareholding interests and short positions of the Directors, Supervisors and chief executive of the Company are set out in "Disclosure of Interests and Short Positions of the Directors, Supervisors and Chief Executive" in the Report of the Directors in this report.

CHANGE IN CONSTITUTIONAL DOCUMENTS

At the shareholders' general meetings held on 17 May 2022 and 30 December 2022, the shareholders approved the amendments to certain articles in the articles of association of the Company. The latest version of the articles of association of the Company is available on the websites of the Company and the Hong Kong Stock Exchange.

Corporate Governance Report *(continued)*

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SHAREHOLDERS' RIGHTS

The articles of association of the Company has stipulated the rights and obligations of all shareholders.

Shareholders individually or jointly holding 10% or more of the issued shares with voting rights of the Company can demand in writing to convene an extraordinary general meeting. The written request shall be delivered to the Securities Department of the Company. The address is 41/F., Tower B, Zhonghang Zijin Plaza, No. 1811 Huandao Road East, Siming District, Xiamen City, Fujian Province, the People's Republic of China.

When the Company convenes an annual general meeting, it shall send out a notice 20 clear business days before such meeting is held; when the Company convenes an extraordinary general meeting, it shall send out a notice 10 clear business days or 15 days (whichever is longer) before such meeting is held; when the Company plans to hold a classified shareholders' meeting, a notice shall be issued with respect to the notice period of convening an extraordinary general meeting, to inform all shareholders recorded in the shareholders' register of the matters to be discussed and the date and venue of the meeting.

In a shareholders' general meeting convened by the Company, shareholders, solely or jointly, holding more than 3% of the total shares carrying voting rights of the Company may, on or before 10 days prior to the holding of a shareholders' general meeting, submit to the convener in writing new proposed resolutions. The Company shall include the matters in the proposed resolutions that are within the scope of the terms of reference of the shareholders' general meeting in the agenda of the meeting.

The Board shall provide explanations and reasons in a shareholders' general meeting if it decides not to include the shareholders' general meeting proposals in the agenda of such meeting. It shall also publish the content of the proposals and the Board's explanations together with resolutions of the shareholders' general meeting following the conclusion of the shareholders' general meeting.

Voting in a shareholders' general meeting is by way of poll.

The Group communicates with shareholders through the issuance of annual reports, interim reports, quarterly reports, newspaper and electronic announcements. All communications with shareholders are also published on the website of the Company, www.zjky.cn.

INQUIRY TO THE BOARD

Shareholders can contact the Securities Department of the Company for any inquiry to the Board. The address is 41/F., Tower B, Zhonghang Zijin Plaza, No. 1811 Huandao Road East, Siming District, Xiamen City, Fujian Province, the People's Republic of China. The telephone number is (86)592-2933652.

RISKS IN THE COMPANY DISCOVERED BY THE SUPERVISORY COMMITTEE

During the reporting period, the Supervisory Committee had no disagreement on the supervised matters.

OPERATION, PERSONNEL, ASSETS, ORGANISATIONS, FINANCE, ETC. WHICH THE COMPANY CANNOT ENSURE INDEPENDENCY AND SELF-OPERATING ABILITY FROM THE SUBSTANTIAL SHAREHOLDER

The Company remained independent and complete in terms of operation, personnel, assets, organisations, finance, etc. from its substantial shareholder.

Corporate Governance Report *(continued)*

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

ASSESSMENT MECHANISM FOR SENIOR MANAGEMENT AND THE ESTABLISHMENT AND IMPLEMENTATION OF INCENTIVE MECHANISM DURING THE REPORTING PERIOD

Pursuant to the Remuneration and Assessment Proposal of Senior Management of the Seventh Term being considered and approved at the first meeting of the seventh term of the Board of the Company and the Proposal in relation to Amendment to the Remuneration and Assessment Proposal of Senior Management of the Seventh Term being considered and approved at the twenty-seventh extraordinary meeting in 2020 of the seventh term of the Board, the Nomination and Remuneration Committee of the Board approved the total amount of the remuneration of senior management according to the status of completion of the production and operation of the Company for the year 2022, and submitted the proposal to the Board for consideration.

The Company completed the registration of shares under the first grant of the restricted A Share incentive scheme in 2020 on 28 January 2021. The Company's senior management were granted the corresponding numbers of restricted A Shares. The unlocking conditions for the first unlocking period of the restricted A Shares under the first grant of the incentive scheme have been satisfied and such A Shares become tradable on 30 January 2023. The proportion of the restricted A Shares unlocked was 33% of the total number of the Restricted A Shares granted. For details, please refer to the Announcement in relation to the Unlocking and Listing for the First Unlocking Period of the Restricted A Shares under the First Grant of the Restricted A Share Incentive Scheme for 2020 disclosed on HKEXnews website (<http://www.hkexnews.hk>) dated 16 January 2023.

MANAGEMENT AND CONTROL OF SUBSIDIARIES DURING THE REPORTING PERIOD

As the investor of the subsidiaries, the Company enjoys the rights and bears the duties of a shareholder pursuant to the laws and regulations of the host countries or regions and the articles of association of the subsidiaries. The Company respects and protects the legal entity status of the subsidiaries, exercises the rights of a shareholder pursuant to the laws and regulations, and provides opinions and suggestions by leveraging the Company's strengths. The Company supplies system standards and technical specifications to the subsidiaries by building coordinated and highly-effective public service platforms, provides professional management and effective support to, and resolves the important and key issues of the subsidiaries, but it does not intervene in the will of the subsidiaries as legal entities.

The Company defines different business segments based on the main business, region, etc., while the business departments serve as the operation and management centres of the business segments, stimulating different "small group" of business segments. The Company forms effective bond with their board of directors through corporate governance, business, human resources, etc. The business departments are responsible for the operation and management of, and providing guidance, coordination and services to the segments, and providing professional support and services including planning, mechanism establishment, corporate governance, production and operation, geological resources, accounting, tax and financing, human resources, construction and logistics, platform management, ESG management, external coordination, etc.

During the responding period, in response to the issue of Urad Rear Banner Zijin Mining Co., Ltd., a subsidiary of the Company, being held accountable for the criminal liability for its illegal mining activities before the year 2020, the Company had carried out comprehensive specific rectification work on strengthening legal compliance among the enterprises within the Group, and the responsible personnel were held accountable in a stringent manner. The subsidiaries were required to formulate legal compliance lists and records, and the work of assessment, management and control were implemented.

Corporate Governance Report *(continued)*

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

SELF-INSPECTION AND RECTIFICATION UNDER THE SPECIAL ACTIONS ON CORPORATE GOVERNANCE OF LISTED COMPANY

The Company earnestly implemented the spirits of the “Opinions of the State Council on Further Improving the Quality of Listed Companies” (Guo Fa [2020] No. 14) and the Announcement [2020] No. 69 issued by the CSRC. It actively carried out special self-inspection on corporate governance pursuant to the Notice on Launching Special Actions on Corporate Governance of Listed Companies in Fujian issued by the Fujian Securities Regulatory Bureau (Min Zheng Jian Fa [2021] No. 11) on 18 January 2021, carefully sorted out existing problems and summarised corporate governance experience according to the special self-inspection list of listed companies’ corporate governance, and completed the special self-inspection work in a timely manner.

During the reporting period, the overall operation of the Company was standardised, the corporate governance was in good condition, and no major problems were found during the self-inspection process. The Company will continue to implement the relevant spirits of further improving the quality of listed companies, continuously improve the level of corporate governance, and further promote high-quality development.

INVESTOR RELATIONS

The Board fully recognises that effective communication with investors is the key to building investors’ confidence and attracting new investors.

The Group held press conferences and/or briefings for investors and analysts immediately after the announcements of its annual and interim results. The chairman of the Board and senior management such as the financial controller of the Group analysed the performance of the Group during the relevant period, expounded the business development of the Group and answered queries raised by investors during the meeting. Along with the issuance of A Shares, the Group issued results announcements on 11 April 2022 for the first quarter of year 2022 and on 21 October 2022 for the third quarter of year 2022, respectively.

Results announcements of the Group have been published in a timely manner on the websites of the Company and the Hong Kong Stock Exchange.

The Group not only frequently participates in investor conferences, receives analysts and investors for their visits, answers investors’ phone calls and responds to their enquiries, but also arranges professional investors to visit its subsidiaries and mines so that they can understand the Group’s existing production status, investment status and business development to enhance their confidence in the Group.

During the year, the Company convened the 2021 annual general meeting and the first extraordinary general meeting in 2022 on 17 May 2022 and 30 December 2022, respectively. Details of which are set out in this report.

As at 31 December 2022, the registered capital of the Company was RMB2,632,931,224, comprising 5,736,940,000 floating H Shares listed on the Hong Kong Stock Exchange, representing approximately 21.79% of the total issued shares; 20,494,681,640 floating A Shares listed on the Shanghai Stock Exchange, representing approximately 77.84% of the total issued shares; and 97,690,600 A Shares subject to trading moratorium, representing approximately 0.37% of the total issued shares. The total floating shares in these two stock exchanges represented approximately 99.63% of the total issued shares of the Company. Among which, the Company repurchased 2,550,000 and 2,000,000 A Shares on 31 October 2022 and 3 November 2022, respectively, through centralised bidding which are proposed to be used for employee stock ownership scheme or share incentive.

The Company considers that during the year ended 31 December 2022, the shareholders communication policy of the Company was effectively implemented with the above measures in place.

Corporate Governance Report *(continued)*

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

INTERNAL AUDIT FUNCTION

The Company has an internal audit function. The Audit and Internal Control Committee of the Company is responsible for overseeing the internal audit systems. The Audit and Internal Control Committee and the Board review the risk management and internal control systems at least once a year, and the Company considers that the systems are effective and adequate.

The review of the risk management and internal control systems for the year covered the period from 1 January 2022 to 31 December 2022.

INTERNAL CONTROL

It is the responsibility of the Board to establish a sound and effective internal control system in accordance with the regulations of the internal control of the corporation, evaluate its effectiveness and truthfully disclose the internal control evaluation report. The Supervisory Committee carries out supervision on the establishment and implementation of internal control of the Board. The management is responsible for organising and leading the daily operation of the corporation's internal control.

PROCEDURES FOR RESOLVING MATERIAL INTERNAL CONTROL DEFECTS

With the assistance of the Audit and Internal Control Committee, the Board continuously supervises the risk management and internal control system of the Company and its subsidiaries. Each business/subsidiary unit of the Group integrates risk management and internal control system into the daily operation process. The management of the Group's companies report on the implementation of the system to the Board at least once every six months. The management establishes a risk management framework for risk management and internal control, carries out risk identification and assessment actions, and conducts responsive actions on major risks. The Company carries out analysis in terms of strategic, operation, finance, technology, compliance and other aspects and responses accordingly.

The goal of the Company's internal control is to provide reasonable assurance for the legality of the operation, the safety of assets, and the truthfulness and completeness of financial reports and relevant information, enhancement of operation efficiency and results, and promotion of the realisation of the development strategies. Due to inherent limitations of internal control, it is only possible to reasonably assure the achievement of the above targets. In addition, internal control may be inappropriate, or the levels of policy control and the compliance of procedures decrease due to the changes in circumstances, there are certain risks in predicting the effectiveness of internal control in the future based on the evaluation results.

CONCLUSIONS ON THE INTERNAL CONTROL EVALUATION ON FINANCIAL REPORTING

According to the identification of significant defects of the Company's internal control on financial reporting, as at the base date of the internal control evaluation report, there was no significant internal control defect in financial reporting. The Board considered that the Company maintained an effective internal control in all material aspects on financial reporting according to the requirements of the Company's internal control system and relevant regulations.

WORK ON INTERNAL CONTROL EVALUATION

Scope of internal control evaluation

The Group followed the risk-oriented principle to determine the major business units, operations, matters and high-risk areas for inclusion into the scope of evaluation.

Corporate Governance Report *(continued)*

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

Major business units included in the scope of evaluation were: The Company's headquarters and 60 subsidiaries including Serbia Zijin Mining, Serbia Zijin Copper, COMMUS in the DR Congo, CARRILU, the Zijinshan Gold and Copper Mine, Ashele Copper, Duobaoshan Copper Industry, Julong Copper in Tibet, Xinjiang Jinbao, Zijin Copper, Zijin Gold Smelting, Fujian Zijin Copper, Heilongjiang Zijin Copper, Xinjiang Zijin Non-ferrous, Zijin Logistics, Bayannur Zijin, Zijin Finance, Shanghai Investment, Construction Company, Zijin Engineering Technology, etc. During the year 2022, the Company's headquarters and 35 major subsidiaries were covered by the internal control assessment conducted by the Supervisory and Audit Office of the Group; the Supervisory and Audit Office supervised and guided 49 key subsidiaries to conduct self-assessment on internal control.

Key operations and matters which were included in the scope of evaluation include but not limited to:

By business segments, the followings were included: overseas projects, mining, refining and processing, construction, trade, finance, etc.; by processes, the followings were included: organisational structure, development strategy, human resources, social responsibility, safety and environmental protection, corporate culture and other company-level internal control functions, as well as capital activities (including investment, financing and working capital management), procurement business, engineering projects, business outsourcing, asset management, sales business, comprehensive budgeting, internal communication, research and development, financial reporting, contract management, tax management, calculation and aggregation of production costs, expenses, information system and other main operational processes. During the year, the Company put emphasis on conducting daily internal control supervision, special internal control testing and evaluation or internal control research on project construction, procurement of materials, operation compliance of overseas enterprises, sales of products, inventory management, financing activities, hedging, etc.

High-risk areas which were paid special attention to include but not limited to:

High-risk areas which were paid special attention to mainly included: overseas compliance, trading and financial, capital, futures and hedging, and other businesses as well as safety and environmental protection.

Auditor's Report

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



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Ernst & Young Hua Ming (2023) Shen Zi No. 60468092_H01
Zijin Mining Group Company Limited

To the shareholders of Zijin Mining Group Company Limited:

I. AUDIT OPINION

We have audited the financial statements of Zijin Mining Group Company Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated and company statements of financial position as at 31 December 2022, and the consolidated and company statements of profit or loss, the consolidated and company statements of changes in equity and the consolidated and company statements of cash flows for the year then ended, and notes to the financial statements.

In our opinion, the financial statements give a true and fair view of, in all material respects, the consolidated and company financial position as at 31 December 2022, and the consolidated and company financial performance and cash flows for the year then ended in accordance with Accounting Standards for Business Enterprises.

II. BASIS FOR OPINION

We conducted our audit in accordance with China Standards on Auditing ("CSAs"). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Group in accordance with *China Code of Ethics for Certified Public Accountants* (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

III. KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provided the basis for our audit opinion on the accompanying financial statements.

Auditor's Report *(continued)*

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

Ernst & Young Hua Ming (2023) Shen Zi No. 60468092_H01
Zijin Mining Group Company Limited

III. KEY AUDIT MATTERS *(continued)*

Key audit matter	How our audit addressed the key audit matter
Impairment of non-current assets – fixed assets, construction in progress, intangible assets and goodwill	
<p>As at 31 December 2022, the fixed assets, construction in progress, intangible assets and goodwill of the Group amounted to RMB72,746,422,792, RMB21,866,653,969, RMB68,279,910,055 and RMB717,723,949, respectively, the proportion of such assets to total assets was 53.46%, which are material to the total assets of the consolidated financial statements.</p> <p>The management assessed at the end of the reporting period whether there is any indication that the non-current assets may be impaired. If there is an indication that non-current assets, as well as asset groups and sets of asset groups with goodwill allocated may be impaired, the Group shall conduct the impairment test and estimate the recoverable amount of such assets. 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 groups or sets of asset groups. The calculation of the recoverable amount of such assets require management's significant estimates on the mineral reserves, production plans, sales prices, operating costs, taxes, discount rates, etc.</p> <p>To obtain the recoverable amount of an asset is complicated and involves significant estimates. Therefore, we considered this as a key audit matter.</p> <p>Please refer to Notes III.14, 15, 18, 19 and 38 and Notes V.17, 18, 20, 21 and 61 to the financial statements for the accounting policies, significant accounting judgements and estimates and the relevant disclosures in the financial statements.</p>	<p>We performed the following procedures in our audit for the assessment of impairment of such non-current assets:</p> <ol style="list-style-type: none"> 1. We understood and evaluated the related internal control of impairment provision; and performed tests on key internal controls to assess the effectiveness of the design and operating of key internal control. 2. We discussed with the management and reviewed whether there is any indication of impairment of non-current assets. If there is an indication that non-current assets as well as asset groups or sets of asset groups with goodwill allocated may be impaired, we reviewed the management's identification of an asset group, the allocation of goodwill and the reasonableness of impairment test models. 3. We reviewed the valuation reports used in determining the recoverable amounts, discussed with the specialists of management and evaluated the independence, competence, capabilities, and objectivity of the specialists and invited internal specialists to review the reasonableness of assumptions and parameters adopted for the valuation models; or 4. We reviewed the reasonableness of the key assumptions used in the discounted cash flow projection models (mainly including the mineral reserves, production plans, sales price, operating costs, taxes, discount rate, etc.); and invited internal specialists to review the discounted cash flow projection models and the reasonableness of assumptions and parameters adopted for the models, including sales prices, discount rates, etc. 5. We evaluated the competence, capabilities, and objectivity of the geological specialists of the management, and obtained an understanding of and evaluated the work and methods of the specialists. 6. We reviewed the accuracy of the management's forecast from previous periods, compared the assumptions adopted for the models with the economic situation and the market trend and reviewed if significant changes were made to key assumptions and reviewed the reasonableness of the changes compared to previous periods. 7. We evaluated the adequacy and completeness of the relevant disclosures in the notes to the financial statements.

Auditor's Report *(continued)*

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

Ernst & Young Hua Ming (2023) Shen Zi No. 60468092_H01
Zijin Mining Group Company Limited

III. KEY AUDIT MATTERS *(continued)*

Key audit matter	How our audit addressed the key audit matter
Business combination not involving entities under common control	
<p>In May 2022, the Group acquired 160,586,231 shares of Fujian Longking Co., Ltd. ("Longking"), which representing 15.02% of the total share capital of Longking. The consideration of the acquisition was RMB10.80 per share with a total consideration of RMB1,734,331,295.</p> <p>The abovementioned equity interest acquisition transaction involves accounting treatment of business combinations not involving entities under common control. Significant judgements should be made by the Group on whether it is an acquisition of business and if it is required to allocate the purchase price in order to determine the fair values of the identifiable assets acquired and the liabilities assumed which meet the conditions of recognition of the acquirees, and measure the goodwill or gain from a bargain purchase at the acquisition date. As the amounts are material and the measurement of the fair values of the identifiable assets acquired and liabilities assumed involves complicated valuation techniques and management's significant estimates, of which the key assumptions include operating income, operating costs, depreciation and amortisation, taxes, capital expenditures, discount rates, etc. Therefore, we considered this as a key audit matter.</p> <p>Please refer to Notes III.4, 38 and Note VI.1 to the financial statements for the accounting policies, significant accounting judgements and estimates and the relevant disclosures in the financial statements.</p>	<p>We performed the following procedures in our audit for the business combination not involving entities under common control:</p> <ol style="list-style-type: none"> 1. We understood and evaluated the related internal control of acquisition; and performed tests on key controls to assess the effectiveness of the design and operating of key internal control. 2. We reviewed the relevant transfer agreements, management's judgements on the type of business combination and acquisition date as well as management's analysis of the terms of the agreements and the accounting treatments. 3. We interviewed the valuation experts engaged by the management and evaluated their independence, competence, capabilities and objectivity, and obtained an understanding of the valuation models adopted for measuring the fair values of the identifiable assets acquired and the liabilities assumed at the acquisition date. 4. Based on our understanding of the industries and the related professional reports, we reviewed the reasonableness of the discounted cash flow projection models and their key assumptions (mainly including the operating income, operation costs, depreciation and amortisation, taxes, capital expenditures, discount rates, etc.) and invited internal specialists to review the discounted cash flow projection models and the reasonableness of assumptions and parameters adopted for the models, including sales prices, discount rates, etc. 5. We evaluated the adequacy and completeness of the relevant disclosures in the notes to the financial statements.

Auditor's Report *(continued)*

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Ernst & Young Hua Ming (2023) Shen Zi No. 60468092_H01
Zijin Mining Group Company Limited

IV. OTHER INFORMATION

The management is responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

V. RESPONSIBILITIES OF THE MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The management of the Group is responsible for the preparation of the financial statements that give a true and fair view in accordance with Accounting Standards for Business Enterprises and for designing, implementing and maintaining internal control as the management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

VI. AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with CSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- 1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

Auditor's Report *(continued)*

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Ernst & Young Hua Ming (2023) Shen Zi No. 60468092_H01
Zijin Mining Group Company Limited

VI. AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS *(continued)*

As part of an audit in accordance with CSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: *(continued)*

- 3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 4) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- 5) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Ernst & Young Hua Ming LLP

Chinese Certified Public Accountant: Xie Feng
(Engagement Partner)

Beijing, the People's Republic of China

Chinese Certified Public Accountant: Fu Sichun

24 March 2023

Consolidated Statement of Financial Position

As at 31 December 2022

RMB

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

ASSETS	Note V	31 December 2022	31 December 2021
CURRENT ASSETS			
Cash and cash equivalents	1	20,243,737,052	14,221,780,252
Held for trading financial assets	2	5,093,808,339	2,935,224,582
<i>Including: Derivative financial assets</i>		46,793,246	152,644,244
Bills receivable	3	729,421,153	–
Trade receivables	4	7,916,964,606	2,445,223,101
Receivables financing	5	2,991,548,914	1,958,255,180
Prepayments	6	3,795,206,862	1,782,420,666
Other receivables	7	3,656,110,491	1,385,716,898
Inventories	8	28,103,963,625	19,308,800,678
Contract assets	9	1,227,197,810	–
Current portion of non-current assets	10	693,448,118	8,923,967
Other current assets	11	5,193,052,562	3,017,948,117
Total current assets		79,644,459,532	47,064,293,441
NON-CURRENT ASSETS			
Debt investments	12	321,929,780	468,136,162
Long-term equity investments	13	25,066,936,465	9,628,231,895
Other equity instrument investments	14	10,545,595,648	9,415,646,061
Other non-current financial assets	15	–	62,500,000
Investment properties	16	448,776,949	117,472,940
Fixed assets	17	72,746,422,792	55,597,154,905
Construction in progress	18	21,866,653,969	18,548,053,400
Right-of-use assets	19	332,279,217	217,034,588
Intangible assets	20	68,279,910,055	47,531,349,824
Goodwill	21	717,723,949	314,149,588
Long-term deferred assets	22	2,060,315,229	1,724,516,259
Deferred tax assets	23	1,647,300,510	1,325,642,796
Other non-current assets	24	22,365,835,375	16,580,496,264
Total non-current assets		226,399,679,938	161,530,384,682
TOTAL ASSETS		306,044,139,470	208,594,678,123

The accompanying notes to financial statements form an integral part of these financial statements.

Consolidated Statement of Financial Position *(continued)*

As at 31 December 2022

RMB

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

LIABILITIES AND OWNERS' EQUITY	Note V	31 December 2022	31 December 2021
CURRENT LIABILITIES			
Short-term borrowings	25	23,666,315,501	18,229,100,791
Held for trading financial liabilities	26	540,503,475	156,812,356
<i>Including: Derivative financial liabilities</i>		540,503,475	156,812,356
Bills payable	27	1,735,484,847	394,380,588
Trade payables	28	11,757,464,637	7,442,318,423
Receipts in advance	29	88,648,941	–
Contract liabilities	30	7,412,075,704	671,955,151
Employee benefits payable	31	2,251,480,559	1,604,671,386
Taxes payable	32	3,144,610,780	4,040,386,486
Other payables	33	9,847,711,138	7,614,396,670
Current portion of non-current liabilities	34	7,645,305,535	9,470,350,520
Other current liabilities	35	3,080,302,719	678,088,310
Total current liabilities		71,169,903,836	50,302,460,681
NON-CURRENT LIABILITIES			
Long-term borrowings	36	68,819,578,332	36,126,816,893
Bonds payable	37	23,870,516,058	14,247,474,590
<i>Including: Preference shares</i>		1,044,689,738	956,355,139
Lease liabilities	38	222,586,249	184,195,155
Long-term payables	39	3,272,675,848	2,359,167,215
Long-term employee benefits payable	40	72,193,443	79,059,540
Provisions	41	3,877,025,144	3,696,917,863
Deferred income	42	700,660,386	397,491,581
Deferred tax liabilities	23	7,482,000,554	6,342,164,459
Other non-current liabilities	43	2,101,554,115	1,961,759,602
Total non-current liabilities		110,418,790,129	65,395,046,898
TOTAL LIABILITIES		181,588,693,965	115,697,507,579

The accompanying notes to financial statements form an integral part of these financial statements.

Consolidated Statement of Financial Position *(continued)*

As at 31 December 2022

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	31 December 2022	31 December 2021
EQUITY			
Share capital	44	2,632,931,224	2,633,011,224
Capital reserve	45	25,551,506,136	25,205,642,523
Less: Treasury shares	46	488,538,909	475,709,598
Other comprehensive income	47	5,061,350,431	2,209,428,323
Special reserve	48	60,634,043	113,281,545
Surplus reserve	49	1,367,003,719	1,367,003,719
Retained earnings	50	54,757,893,854	39,981,710,325
Equity attributable to owners of the parent		88,942,780,498	71,034,368,061
Non-controlling interests		35,512,665,007	21,862,802,483
TOTAL EQUITY		124,455,445,505	92,897,170,544
TOTAL LIABILITIES AND OWNERS' EQUITY		306,044,139,470	208,594,678,123

The financial statements were signed by the followings:

Legal representative:

Principal in charge of accounting:

Head of accounting department:

Zou Laichang

Wu Honghui

Yiu Kai

The accompanying notes to financial statements form an integral part of these financial statements.

Consolidated Statement of Profit or Loss

For the year ended 31 December 2022

RMB

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

	Note V	2022	2021
OPERATING INCOME	51	270,328,998,459	225,102,488,592
Less: Operating costs	51	227,784,282,577	190,351,121,555
Taxes and surcharges	52	4,267,630,167	3,459,679,898
Selling expenses	53	619,893,797	412,272,620
Administrative expenses	54	6,264,990,220	5,308,536,279
Research and development expenses	55	1,231,551,616	770,661,326
Finance expenses	56	1,904,994,525	1,496,475,674
Including: Interest expenses		3,444,817,054	2,111,953,389
Interest income		1,353,854,350	761,083,060
Add: Other income	57	484,638,917	350,771,492
Investment income	58	2,874,143,505	1,691,601,136
Including: Share of profits of associates and joint ventures		3,743,044,810	1,627,111,396
Losses on changes in fair value	59	(255,492,467)	(231,864,044)
(Credit impairment losses)/Reversal of credit impairment losses	60	(329,409,918)	578,093,599
Impairment losses on assets	61	(78,711,813)	(598,022,432)
Losses on disposal of non-current assets	62	(5,217,763)	(7,815,800)
OPERATING PROFIT		30,945,606,018	25,086,505,191
Add: Non-operating income	63	108,391,606	178,088,257
Less: Non-operating expenses	64	1,061,146,651	470,782,956
PROFIT BEFORE TAX		29,992,850,973	24,793,810,492
Less: Income tax expenses	66	5,225,640,850	5,194,172,140
NET PROFIT		24,767,210,123	19,599,638,352
Classification according to the continuity of operation			
Net profit from continuing operations		24,767,210,123	19,599,638,352
Attributable to:			
Owners of the parent		20,042,045,977	15,672,870,591
Non-controlling interests		4,725,164,146	3,926,767,761

The accompanying notes to financial statements form an integral part of these financial statements.

Consolidated Statement of Profit or Loss *(continued)*

For the year ended 31 December 2022

RMB

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

	Note V	2022	2021
OTHER COMPREHENSIVE INCOME, NET OF TAX			
Other comprehensive income after tax attributable to owners of the parent, net of tax	46	2,851,922,108	1,396,857,624
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	46	(354,595,573)	2,891,407,259
Changes arising from the re-measurement of defined benefit plan	46	3,344,740	(34,585,795)
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods			
Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods under the equity method		(38,994,447)	9,685,755
Changes in fair value of receivables financing		(1,502,455)	(19,668,721)
Provision for credit impairment losses on receivables financing		4,921,131	–
Hedging costs – forward elements	46	17,601,229	(21,942,636)
Exchange differences arising from translation of financial statements denominated in foreign currencies	46	3,221,147,483	(1,428,038,238)
Other comprehensive income/(loss) attributable to non-controlling interests, net of tax		777,394,246	(454,731,066)
Subtotal of other comprehensive income, net of tax		3,629,316,354	942,126,558
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		28,396,526,477	20,541,764,910
Attributable to:			
Owners of the parent		22,893,968,085	17,069,728,215
Non-controlling interests		5,502,558,392	3,472,036,695
Earnings per share	67		
Basic earnings per share		0.76	0.60
Diluted earnings per share		0.76	0.60

The accompanying notes to financial statements form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

For the year ended 31 December 2022

RMB

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

For the year ended 31 December 2022

	Attributable to owners of the parent										Total equity
	Share capital	Capital reserve	Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Subtotal	Non-controlling interests		
I. Opening balance of the current year	2,633,011,224	25,205,642,523	475,709,598	2,209,428,323	113,281,545	1,367,003,719	39,981,710,325	71,034,368,061	21,862,802,483	92,897,170,544	
II. Changes for the year											
(i) Total comprehensive income	-	-	-	2,851,922,108	-	-	20,042,045,977	22,893,968,085	5,502,558,392	28,396,526,477	
(ii) Owners' contributions and reductions in capital											
1. Capital contributed by owners	-	-	-	-	-	-	-	-	773,716,919	773,716,919	
2. Repurchase and cancellation of the restricted A Shares	(80,000)	(3,880,000)	(3,960,000)	-	-	-	-	(6,327,431)	-	(6,327,431)	
3. Repurchase of A Shares of the Company	-	-	36,327,431	-	-	-	-	-	-	-	
4. Acquisitions of subsidiaries not involving entities under common control	-	-	-	-	-	-	-	-	10,538,160,070	10,538,160,070	
5. Amount of share-based payment recognised in equity	-	197,019,266	-	-	-	-	-	197,019,266	-	197,019,266	
6. Others	-	152,724,347	-	-	-	-	-	152,724,347	(308,041,108)	(155,316,761)	
(iii) Profit distributions											
1. Distributions to owners	-	-	(19,538,120)	-	-	-	(5,265,862,448)	(5,246,324,328)	(2,848,763,538)	(8,095,087,866)	
(iv) Special reserve											
1. Provision in the current year	-	-	-	940,080,302	-	-	-	940,080,302	192,822,102	1,132,902,404	
2. Amount utilised in the current year	-	-	-	(992,727,804)	-	-	-	(992,727,804)	(200,590,313)	(1,193,318,117)	
III. Closing balance of the current year	2,632,891,224	25,551,506,136	488,538,909	5,061,350,431	60,634,043	1,367,003,719	54,757,893,854	88,942,780,498	35,512,665,007	124,455,445,505	

The accompanying notes to financial statements form an integral part of these financial statements.

Consolidated Statement of Changes in Equity (continued)

For the year ended 31 December 2022

RMB

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

For the year ended 31 December 2021

	Attributable to owners of the parent										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		Non-controlling interests
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 year	-	-	-	-	-	1,396,857,624	-	-	15,672,870,591	17,069,728,215	3,472,036,695	20,541,764,910
(I) Total comprehensive income	-	-	-	-	-	1,396,857,624	-	-	15,672,870,591	17,069,728,215	3,472,036,695	20,541,764,910
(II) Owners' contributions and reductions in capital	-	-	-	-	-	-	-	-	-	-	2,271,586,367	2,271,586,367
1. Capital contributed by owners	-	-	-	-	-	-	-	-	-	-	2,271,586,367	2,271,586,367
2. Grant of restricted A Shares	9,849,060	-	-	477,128,210	486,977,270	-	-	-	-	-	-	-
3. Business combinations not involving entities under common control	-	-	-	-	-	-	-	-	-	-	282,709,979	282,709,979
4. Amount of share-based payment recognised in equity	-	-	-	197,201,480	-	-	-	-	-	197,201,480	-	197,201,480
5. Capital contributed/(reduced) by other equity instrument holders	85,436,169	(4,486,950,000)	(868,731,209)	5,972,142,679	-	-	-	-	-	701,897,639	-	701,897,639
6. Others	-	-	-	(50,913,920)	-	-	-	-	-	(50,913,920)	(7,354,963)	(58,268,883)
(III) Profit distributions	-	-	-	-	-	-	-	47,602,615	(47,602,615)	-	-	-
1. Appropriation to surplus reserve	-	-	-	-	-	-	-	47,602,615	(47,602,615)	-	-	-
2. Distributions to owners	-	-	-	-	(11,267,672)	-	-	-	(3,159,312,269)	(3,148,044,597)	(2,215,461,529)	(5,363,506,126)
3. Interest paid for renewable corporate bonds	-	-	-	-	-	-	-	-	(232,650,000)	(232,650,000)	-	(232,650,000)
(IV) Special reserve	-	-	-	-	-	-	-	-	-	-	-	-
1. Provision in the current year	-	-	-	-	-	-	749,410,028	-	-	749,410,028	79,152,132	828,562,160
2. Amount utilised in the current year	-	-	-	-	-	-	(790,814,988)	-	-	(790,814,988)	(77,753,470)	(868,568,458)
III. Closing balance of the current year	2,633,011,224	-	-	25,205,642,523	475,709,598	2,209,428,323	113,281,545	1,367,003,719	39,981,710,325	71,034,368,061	21,862,802,483	92,897,170,544

The accompanying notes to financial statements form an integral part of these financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 December 2022

RMB

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

	Note V	2022	2021
I. CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash receipts from sale of goods and rendering of services		282,341,075,714	236,345,807,492
Other cash receipts relating to operating activities	68	1,114,083,875	661,491,512
Subtotal of cash inflows from operating activities		283,455,159,589	237,007,299,004
Cash payments for goods purchased and services received		(226,346,266,450)	(190,504,168,608)
Cash payments to and on behalf of employees		(9,171,126,231)	(7,151,063,210)
Payments of various types of taxes and surcharges		(12,848,281,558)	(9,642,377,246)
Other cash payments relating to operating activities	68	(6,410,982,990)	(3,637,452,339)
Subtotal of cash outflows from operating activities		(254,776,657,229)	(210,935,061,403)
Net cash flows from operating activities	69	28,678,502,360	26,072,237,601
II. CASH FLOWS FROM INVESTING ACTIVITIES:			
Cash receipts from disposals and recovery of investments		4,014,341,742	1,659,859,836
Cash receipts from investment income		1,408,491,399	593,774,292
Net cash receipts from disposals of fixed assets, intangible assets and other non-current assets		137,120,931	17,352,639
Other cash receipts relating to investing activities	68	397,532,056	244,036,360
Subtotal of cash inflows from investing activities		5,957,486,128	2,515,023,127
Cash payments for purchase or constructions of fixed assets, intangible assets and other non-current assets		(24,794,352,673)	(20,148,568,080)
Cash payments for investments		(19,715,859,914)	(4,528,283,903)
Net cash payments for acquisition of subsidiaries and other business units	69	(12,027,065,336)	(46,289,222)
Other cash payments relating to investing activities	68	(401,160,000)	(1,556,833,400)
Subtotal of cash outflows from investing activities		(56,938,437,923)	(26,279,974,605)
Net cash flows used in investing activities		(50,980,951,795)	(23,764,951,478)

The accompanying notes to financial statements form an integral part of these financial statements.

Consolidated Statement of Cash Flows *(continued)*

For the year ended 31 December 2022

RMB

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

	Note V	2022	2021
III. CASH FLOWS FROM FINANCING ACTIVITIES:			
Cash receipts from capital contributions		773,716,919	2,758,563,637
<i>Including: Cash receipts from capital contributions from non-controlling shareholders of subsidiaries</i>		773,716,919	2,271,586,367
Cash receipts from borrowings		59,999,303,556	31,135,822,496
Cash receipts from the gold leasing business		7,410,869,428	11,266,182,767
Cash receipts from issuance of bonds and ultra short-term financing bonds		14,700,000,000	6,300,000,000
Other cash receipts relating to financing activities	68	159,894,460	97,243,423
Subtotal of cash inflows from financing activities		83,043,784,363	51,557,812,323
Cash repayments of borrowings		(27,253,353,338)	(20,418,950,527)
Cash repayments of the gold leasing business		(11,162,092,237)	(12,800,751,471)
Cash repayments of bonds and ultra short-term financing bonds		(5,000,000,000)	(10,284,479,263)
Cash payments for distribution of dividends or profits or settlement of interest expenses		(11,475,070,934)	(7,336,876,536)
<i>Including: Payments for distribution of dividends or profits to non-controlling shareholders of subsidiaries</i>		(2,869,964,968)	(2,215,461,529)
Other cash payments relating to financing activities	68	(895,291,073)	(693,434,139)
Subtotal of cash outflows from financing activities		(55,785,807,582)	(51,534,491,936)
Net cash flows from financing activities		27,257,976,781	23,320,387
IV. EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		1,079,885,983	(486,027,541)
V. NET INCREASE IN CASH AND CASH EQUIVALENTS	69	6,035,413,329	1,844,578,969
Add: Opening balance of cash and cash equivalents		13,631,265,209	11,786,686,240
VI. CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	69	19,666,678,538	13,631,265,209

The accompanying notes to financial statements form an integral part of these financial statements.

Company Statement of Financial Position

As at 31 December 2022

RMB

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

ASSETS	Note XV	31 December 2022	31 December 2021
CURRENT ASSETS			
Cash and cash equivalents		4,087,831,452	2,971,735,415
<i>Including: Cash deposited in Zijin Finance</i>		2,756,314,657	1,878,793,293
Held for trading financial assets		62,500,000	35,371,226
<i>Including: Derivative financial assets</i>		–	35,371,226
Trade receivables	1	199,623,901	577,121,320
Receivables financing		75,232,073	248,116,176
Prepayments		38,082,690	13,978,075
Other receivables	2	15,943,568,575	8,190,382,532
Inventories		161,630,239	58,647,837
Other current assets		164,997,149	121,597,364
Total current assets		20,733,466,079	12,216,949,945
NON-CURRENT ASSETS			
Debt investments		–	200,000,000
Long-term equity investments	3	66,511,125,362	54,674,161,369
Other equity instrument investments		267,188,745	274,419,941
Other non-current financial assets		–	62,500,000
Fixed assets		3,504,754,450	3,314,719,280
Construction in progress		407,904,037	415,159,931
Intangible assets		328,553,291	257,554,237
Long-term deferred assets		163,390,425	174,268,169
Deferred tax assets		347,182,921	332,419,505
Other non-current assets	4	12,434,699,762	10,871,319,604
Total non-current assets		83,964,798,993	70,576,522,036
TOTAL ASSETS		104,698,265,072	82,793,471,981

The accompanying notes to financial statements form an integral part of these financial statements.

Company Statement of Financial Position *(continued)*

As at 31 December 2022

RMB

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

LIABILITIES AND OWNERS' EQUITY	Note XV	31 December 2022	31 December 2021
CURRENT LIABILITIES			
Short-term borrowings		4,127,980,000	7,674,285,000
Held for trading financial liabilities		39,171,800	1,214,676
<i>Including: Derivative financial liabilities</i>		<i>39,171,800</i>	<i>1,214,676</i>
Trade payables		628,555,145	512,085,262
Bills payable		2,912,086	–
Contract liabilities		52,595,320	12,707,826
Employee benefits payable		438,502,056	490,948,606
Taxes payable		200,662,697	278,809,124
Other payables		3,594,837,505	3,157,664,153
Current portion of non-current liabilities		10,857,149,231	3,865,889,104
Other current liabilities		2,190,782,557	598,534,325
Total current liabilities		22,133,148,397	16,592,138,076
NON-CURRENT LIABILITIES			
Long-term borrowings		23,030,158,800	6,666,077,500
Bonds payable		20,968,456,314	13,282,042,046
Long-term payables	5	191,268,782	6,460,628,782
Provisions		888,133,810	215,678,609
Deferred income		129,236,304	146,147,650
Deferred tax liabilities		55,516,965	60,640,447
Other non-current liabilities		787,957,233	731,677,746
Total non-current liabilities		46,050,728,208	27,562,892,780
TOTAL LIABILITIES		68,183,876,605	44,155,030,856
EQUITY			
Share capital		2,632,931,224	2,633,011,224
Capital reserve		27,502,362,448	27,309,223,182
Less: Treasury shares		488,538,909	475,709,598
Other comprehensive income		(115,232,458)	(113,559,576)
Surplus reserve		1,316,465,612	1,316,465,612
Retained earnings		5,666,400,550	7,969,010,281
TOTAL EQUITY		36,514,388,467	38,638,441,125
TOTAL LIABILITIES AND OWNERS' EQUITY		104,698,265,072	82,793,471,981

The accompanying notes to financial statements form an integral part of these financial statements.

Company Statement of Profit or Loss

For the year ended 31 December 2022

RMB

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

	Note XV	2022	2021
OPERATING INCOME	6	6,262,957,377	6,810,298,590
Less: Operating costs	6	2,441,518,448	2,840,444,395
Taxes and surcharges		341,070,443	341,815,558
Selling expenses		1,022,543	1,823,155
Administrative expenses		958,551,991	1,275,947,004
Research and development expenses		324,025,752	339,451,235
Finance expenses	7	690,753,961	590,825,330
Including: Interest expenses		1,832,346,767	1,418,282,032
Interest income		922,630,694	902,627,863
Add: Other income		50,612,973	35,209,071
Investment income	8	1,739,914,227	2,268,906,744
Including: Share of profits of associates and joint ventures		842,590,828	1,151,253,405
Losses on changes in fair value		(73,328,349)	(119,946,651)
Credit impairment losses		(52,777,533)	(28,416,398)
Reversal of impairment losses on assets		710,070	3,693,795
Gains on disposal of non-current assets		3,189,046	510,646
OPERATING PROFIT		3,174,334,673	3,579,949,120
Add: Non-operating income		1,661,672	3,571,152
Less: Non-operating expenses		56,202,486	54,042,374
PROFIT BEFORE TAX		3,119,793,859	3,529,477,898
Less: Income tax expenses		156,541,142	178,596,142
NET PROFIT		2,963,252,717	3,350,881,756
Including: Net profit from continuing operations		2,963,252,717	3,350,881,756
OTHER COMPREHENSIVE (LOSS)/INCOME, NET OF TAX			
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods			
Changes in fair value of other equity instrument investments		(6,146,515)	(8,537,192)
Other comprehensive income that may be reclassified to profit or loss in subsequent periods			
Changes in fair value of receivables financing		4,473,633	423,541
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		2,961,579,835	3,342,768,105

The accompanying notes to financial statements form an integral part of these financial statements.

Company Statement of Changes in Equity

For the year ended 31 December 2022

RMB

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

For the year ended 31 December 2022

	Share capital	Capital reserve	Less: Treasury shares	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	2,633,011,224	27,309,223,182	475,709,598	(113,559,576)	-	1,316,465,612	7,969,010,281	38,638,441,125
ii. Changes for the year	-	-	-	(1,672,882)	-	-	2,963,252,717	2,961,579,835
(i) Total comprehensive income								
(ii) Owners' contributions and reductions in capital								
1. Repurchase and cancellation of restricted A Shares	(80,000)	(3,880,000)	(3,960,000)	-	-	-	-	-
2. Repurchase of A Shares of the Company	-	-	36,327,431	-	-	-	-	(36,327,431)
3. Amount of share-based payment recognised in equity	-	197,019,266	-	-	-	-	-	197,019,266
(iii) Profit distributions								
1. Distributions to owners	-	-	(19,538,120)	-	-	-	(5,265,862,448)	(5,246,324,328)
(iv) Special reserve								
1. Provision in the current year	-	-	-	-	178,863,043	-	-	178,863,043
2. Amount utilised in the current year	-	-	-	-	(178,863,043)	-	-	(178,863,043)
iii. Closing balance of the current year	2,632,931,224	27,502,362,448	488,538,909	(115,232,458)	-	1,316,465,612	5,666,400,550	36,514,388,467

The accompanying notes to financial statements form an integral part of these financial statements.

Company Statement of Changes in Equity (continued)

For the year ended 31 December 2022

RMB

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

For the year ended 31 December 2021

	Share capital	Other equity instruments Renewable corporate bonds	Others	Capital reserve	Less: Treasury shares	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	4,486,950,000	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 year	-	-	-	-	-	(8,113,651)	-	-	3,350,881,756	3,342,768,105
(i) Total comprehensive income	-	-	-	-	-	-	-	-	-	-
(ii) Owners' contributions and reductions in capital	9,849,060	-	-	477,128,210	486,977,270	-	-	-	-	-
1. Grant of restricted A Shares	-	-	-	-	-	-	-	-	-	-
2. Capital contributed/(reduced) by other equity instrument holders	85,436,169	(4,486,950,000)	(868,731,209)	5,972,142,679	-	-	-	-	-	701,897,639
3. Amount of share-based payment recognised in equity	-	-	-	197,201,480	-	-	-	-	-	197,201,480
(iii) Profit distributions	-	-	-	-	-	-	-	47,602,615	(47,602,615)	-
1. Appropriation to surplus reserve	-	-	-	-	-	-	-	47,602,615	(47,602,615)	-
2. Distributions to owners	-	-	-	-	(11,267,672)	-	-	-	(3,159,312,269)	(3,148,044,597)
3. Interest paid for renewable corporate bonds	-	-	-	-	-	-	-	-	(232,650,000)	(232,650,000)
(iv) Special reserve	-	-	-	-	-	-	-	-	-	-
1. Provision in the current year	-	-	-	-	-	-	205,050,291	-	-	205,050,291
2. Amount utilised in the current year	-	-	-	-	-	-	(205,050,291)	-	-	(205,050,291)
III. Closing balance of the current year	2,633,011,224	-	-	27,309,223,182	475,709,598	(113,559,576)	-	1,316,465,612	7,969,010,281	38,638,441,125

The accompanying notes to financial statements form an integral part of these financial statements.

Company Statement of Cash Flows

For the year ended 31 December 2022

RMB

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

	Note XV	2022	2021
I. CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash receipts from sale of goods and the rendering of services		8,876,894,539	7,381,739,220
Other cash receipts relating to operating activities		83,761,268	173,124,237
Subtotal of cash inflows from operating activities		8,960,655,807	7,554,863,457
Cash payments for goods purchased and services received		(2,249,622,061)	(2,420,814,012)
Cash payments to and on behalf of employees		(919,507,354)	(885,776,701)
Payments of various types of taxes and surcharges		(1,014,050,472)	(787,561,918)
Other cash payments relating to operating activities		(195,461,738)	(694,134,912)
Subtotal of cash outflows from operating activities		(4,378,641,625)	(4,788,287,543)
Net cash flows from operating activities	9	4,582,014,182	2,766,575,914
II. CASH FLOWS FROM INVESTING ACTIVITIES:			
Cash receipts from disposals and recovery of investments		12,786,628,818	9,571,689,177
Cash receipts from investment income		1,974,854,474	2,291,671,711
Net cash receipts from disposals of fixed assets, intangible assets and other non-current assets		24,632,486	7,667,017
Other cash receipts relating to investing activities		330,425,345	13,976,155
Subtotal of cash inflows from investing activities		15,116,541,123	11,885,004,060
Cash payments for purchase or constructions of fixed assets, intangible assets and other non-current assets		(3,804,630,479)	(546,308,391)
Cash payments for investments		(31,194,798,223)	(14,926,577,969)
Other cash payments relating to investing activities		–	(325,000,000)
Subtotal of cash outflows from investing activities		(34,999,428,702)	(15,797,886,360)
Net cash flows used in investing activities		(19,882,887,579)	(3,912,882,300)

The accompanying notes to financial statements form an integral part of these financial statements.

Company Statement of Cash Flows *(continued)*

For the year ended 31 December 2022

RMB

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

	Note XV	2022	2021
III. CASH FLOWS FROM FINANCING ACTIVITIES:			
Cash receipts from capital contributions		–	486,977,270
Cash receipts from issuance of bonds and ultra short-term financing bonds		12,200,000,000	6,300,000,000
Cash receipts from borrowings		22,325,976,000	8,780,000,000
Cash receipts from the gold leasing business		5,282,930,000	7,674,285,000
Subtotal of cash inflows from financing activities		39,808,906,000	23,241,262,270
Cash repayments of borrowings		(6,387,404,501)	(3,588,475,950)
Cash repayments of the gold leasing business		(7,674,285,000)	(7,870,169,319)
Cash repayments of bonds and ultra short-term financing bonds		(2,500,000,000)	(8,052,983,938)
Cash payments for distribution of dividends or profit or settlement of interest expenses		(6,965,994,949)	(4,558,395,012)
Other cash payments relating to financing activities		(53,401,638)	(57,681,714)
Subtotal of cash outflows from financing activities		(23,581,086,088)	(24,127,705,933)
Net cash flows from/(used in) financing activities		16,227,819,912	(886,443,663)
IV. EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		61,925,862	(3,670,892)
V. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	9	988,872,377	(2,036,420,941)
Add: Opening balance of cash and cash equivalents		2,670,806,369	4,707,227,310
VI. CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	9	3,659,678,746	2,670,806,369

The accompanying notes to financial statements form an integral part of these financial statements.

Notes to Financial Statements

For the year ended 31 December 2022

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 "Companies Law of the People's Republic of China" (the "Companies 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 face 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 face 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 face 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 face 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 face 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 face 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 face 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 year ended 31 December 2022

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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.* (Zhengjian Xuke [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.* (Zhengjian Xuke [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 of the third Extraordinary General Meeting in 2020 held on 29 December 2020, 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. On 13 January 2021, the Company proposed to grant 97,490,000 restricted A Shares to 697 participants under the incentive scheme at the grant price of RMB4.95 per A Share. The Company specifically issued 95,980,600 Renminbi-denominated ordinary shares (A Shares) to the actual 686 participants under the incentive scheme on 13 January 2021. The registration was completed on 28 January 2021.

On 15 November 2021, the proposal in relation to the grant of the reserved restricted A Shares to the participants under the restricted A Share incentive scheme was considered and approved at the Company's eleventh extraordinary meeting in 2021 of the seventh term of the Board. The Company proposed to grant 2,510,000 restricted A Shares to 39 participants under the incentive scheme at a grant price of RMB4.83 per A Share. On 15 November 2021, the Company specifically issued 2,510,000 Renminbi-denominated ordinary shares (A shares) to 39 actual incentive participants under the incentive scheme. The registration was completed on 8 December 2021. As at 31 December 2021, the Company had issued 98,490,600 A Shares subject to trading moratorium in total. From 10 May 2021 to 25 May 2021, 854,361,694 tradable A Shares not subject to trading moratorium were converted from the convertible corporate bonds by the bondholders. The share capital of the Company was correspondingly changed to RMB2,633,011,224.

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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)*

As certain participants of the restricted A Share incentive scheme no longer satisfied the stipulations relating to the participants in the conditions of grant, the Company decided to repurchase and cancel the restricted A Shares granted but not yet unlocked held by the abovementioned participants on 16 November 2021. The cancellation of such restricted A Shares was completed on 17 January 2022 at the China Securities Depository and Clearing Company Limited Shanghai Branch. The total number of restricted A Shares repurchased and cancelled was 800,000. The share capital of the Company was correspondingly changed to RMB2,632,931,224.

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 established in the PRC.

The financial statements were approved to be issued by the Company's board of directors on 24 March 2023. In compliance with the articles of association of the Company, the financial statements will be proposed for approval at the forthcoming shareholders' general meeting.

The scope of consolidation in the consolidated financial statements is determined on the basis of control. The changes in the current year 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.

The financial statements have been prepared under the historical cost convention, except for certain derivative financial instruments, sales and purchase contract with provisional pricing arrangements, contingent liability and inventories that are designated as hedged items under fair value hedges which have been measured at fair value. Where assets are impaired, provisions for asset impairment are made in accordance with the relevant requirements.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

The Group has formulated specific 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.

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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)*

1. Statement of compliance with CAS

The financial statements have been prepared in accordance with CAS, and presented truthfully and completely the consolidated and company financial position as at 31 December 2022, and the consolidated and company financial performance and cash flows for the year then ended.

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 and translate into RMB in preparation of the financial statements.

4. Business combinations

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

Business combinations involving entities under common control

A business combination involving entities 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.

Assets and liabilities (including goodwill arising from the acquisition of the merged party or parties by the ultimate controlling party) obtained by the combining 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 entities under common control

A business combinations not involving entities 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.

The acquiree's identifiable assets, liabilities and contingent liabilities acquired by the acquirer in a business combination not involving entities 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.

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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)*

4. Business combinations *(continued)*

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

If a business combination not involving entities 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 equity instrument which the Group had irrevocably elected to classify at fair value through other comprehensive income of the acquiree held prior to the acquisition date, its 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 entities under common control, the financial performance 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 year ended 31 December 2022

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 entities under common control, the acquiree's financial performance 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 spot exchange rate prevailing on the date of transaction or the average exchange rate for the transaction period. At the end of the reporting period, monetary items denominated in foreign currencies are translated into the functional currency using the spot exchange rates prevailing 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. Non-monetary items denominated in foreign currencies measured at historical cost are translated at the spot exchange rate prevailing on the date of transaction and the amount denominated in 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 year ended 31 December 2022

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 for 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

Financial assets and financial liabilities are recognised when the Group 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 year ended 31 December 2022

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 asset's contractual cash flow characteristics and the Group's business model for managing them: financial assets at amortised cost, financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss. 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 year ended 31 December 2022

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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 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 are designated as hedging instruments.

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

Except for financial guarantee contracts and financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, on initial recognition, financial liabilities of the Group are classified as financial liabilities at fair value through profit or loss and financial liabilities measured at amortised cost. 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 financial liabilities measured at amortised cost 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 those of the financial liabilities 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 year ended 31 December 2022

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 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.

Financial liabilities measured at amortised cost

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, contract assets and financial guarantee contracts.

For receivables and contract assets 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 and contract assets 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 and contract assets based on the 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.

The Group measures expected credit losses on a financial instrument in a way that reflects: (a) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; (b) the time value of money; and (c) reasonable and supportable information that is available without undue cost or effort at the end of the reporting period about past events, current conditions and forecasts of future economic conditions.

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.

Notes to Financial Statements *(continued)*

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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, forward commodity contracts, embedded derivative instruments from provisional pricing arrangements, etc. 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.

If a hybrid contract contains a host that is a financial asset, the Group does not separate the embedded derivative from the host and accounted for the hybrid contract as a whole, applying for the accounting standards on the classification of financial assets.

If a hybrid contract contains a host that is not a financial asset, the Group separates the embedded derivative from the host and accounted for it as a single derivative if the following conditions are met:

- (1) the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host;
- (2) a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and
- (3) the hybrid contract is not measured at fair value with changes in fair value recognised in profit or loss.

If an embedded derivative is separated from a hybrid contract, the Group accounts for the host contract of the hybrid contract in accordance with the applicable accounting standards. If the Group is unable to measure reliably the fair value of an embedded derivative on the basis of its terms and conditions, the fair value of the embedded derivative is the difference between the fair value of the hybrid contract and the fair value of the host. If the entity is unable to measure the fair value of the embedded derivative either at acquisition or at the end of a subsequent financial reporting period using this method, the Group designates the whole hybrid contract as a financial instrument at fair value through profit or loss.

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 shall 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 the derivative financial instrument is recognised in profit or loss.

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

9. Financial instruments *(continued)*

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.

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. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion, the estimated selling costs 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.

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)*

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. Non-current assets or disposal groups classified as held for sale are required to simultaneously satisfy the following conditions: 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 probable, that is, the Group has already made a resolution related to the selling plan and a certain purchase commitment is obtained. The sale is expected to be completed 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 and are not accounted for using equity method.

12. Long-term equity investments

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

A long-term equity investment is measured at its initial investment cost on acquisition. For a long-term equity investment acquired through business combination involving entities under common control, the initial investment cost is the attributable share of the carrying amounts of the owners' equity of the acquiree in the ultimate controlling party's consolidated financial statements at the date of combination. The difference between the 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 or liabilities shall be used, and the owners' equity recognised due to the changes in other owners' equity of the investee other than net profit or loss, other comprehensive income and profits distribution is transferred to 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, while 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 combination not involving entities under common control, the initial investment cost of the long-term equity investment is the cost of the combination (If the business combination not involving entities under common control is achieved in stages, the initial investment cost of the long-term equity investment is the aggregate of the carrying amount of the equity investment held in the acquiree prior to the acquisition date and the cost of the additional investment at the acquisition date). The cost of the combination 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 recognised 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 or liabilities should be used, and the owners' equity recognised due to the changes in other owners' equity of the investee other than net profit or loss, other comprehensive income and profits distribution is transferred to 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, while 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 the equity investments held before the acquisition date and classified as financial instruments are transferred to retained earnings when the cost method is adopted. For a long-term equity investment acquired other than long-term equity investments formed through business combinations, the initial investment cost is recognised as follows: if acquired by cash, the initial investment cost is recognised at the purchase price actually paid plus the expenses, taxes and other required expenditures directly attributable to the acquisition of long-term equity investments; if acquired through issuing equity securities, the initial investment cost is recognised at the fair value of the equity securities issued.

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)*

The long-term equity investments which the Company can exercise control over the investee are accounted for using the cost method in the Company's individual financial statements. Control is achieved when the Company 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. The Group measures the portions of associates which are held indirectly through a venture capital organisation, or a mutual fund, unit trust and similar entities including investment-linked insurance funds at fair value through profit or loss. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when the decisions about the relevant activities require 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.

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), provided that invested or sold assets constituting business shall be excluded. 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 together with any long-term interests that in substance form part of its net 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 shall be used and recognised in profit or loss for the period in proportion, and the owners' equity recognised due to the changes in the owners' equity of the investee other than net profit or loss, other comprehensive income and profits distribution is transferred to profit or loss for the current period in proportion.

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

13. Investment properties

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

An investment property is measured initially 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 for 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.

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 for the period in which they are incurred.

Fixed assets are initially measured at cost and the effect of any asset retirement obligations 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	5-20 years	0%-5%	4.75%-20.00%
Motor vehicles	4-15 years	0%-5%	6.33%-25.00%
Furniture and fixtures and others	3-10 years	0%-5%	9.50%-33.33%
Land	Permanent	Not applicable	Not applicable

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

15. Construction in progress

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

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

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

16. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised, 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.

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 all the activities necessary to prepare the qualifying asset for its intended use or sale are completed. 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 or any investment income on the temporary investment of those funds before being used on the asset.
- (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 a temporary delay is a necessary part of the process of getting 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

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. Right-of-use assets are initially measured at cost. The cost of the right-of-use asset comprises: the amount of initial measurement 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 received 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 Group remeasures the lease liability for the revision to the lease payments and adjusts the carrying amount of the right-of-use assets accordingly. 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, depreciation is calculated using the shorter of the lease terms and the estimated useful lives of the asset.

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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 combinations not involving entities under common control shall 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.20 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
Concession rights	The operation terms of concession rights

Land use rights obtained by the Group are usually accounted for as intangible assets. As for the plants, factories and other buildings that are developed and constructed by 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.

Concession rights

The Group enters into public-private partnership (“PPP”) contracts and is entitled to the charges from those who obtain public products and services, but there is an uncertainty to the charge amount. The right does not constitute an unconditional right to receive cash. Before the PPP project assets are ready for their intended use, the related receivables and construction income shall be recognised as contract assets. When the PPP project assets are ready for their intended use, the related receivables and confirmed construction income shall be recognised as intangible assets. The Group recognises the PPP project assets at construction phase and operational phase as intangible assets – concession rights, and the concession rights are amortised on a straight-line basis over the period from the completion date of the construction of the PPP projects to the expiration of operation period and the extension period or the termination date of the concession rights.

Intangible assets with finite useful lives 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 subject to impairment test 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 useful life of such intangible assets 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.

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

18. Intangible assets *(continued)*

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, 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.

The Group classifies the expenditures on an internal research and development project into expenditure on the research phase and expenditure on the development phase. Expenditure on the research phase is recognised in profit or loss as incurred. Expenditure on the development phase is capitalised only when the Group can demonstrate all of the followings: the technical feasibility of completing the intangible asset so that it will be ready for intended use or sale; the intention to complete the intangible asset and use or sell it; how the intangible asset will generate probable future economic benefits (among other things, the Group can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset); the availability of adequate technical, financial and other resources to complete the development and the ability to use or sell the intangible asset; and the ability to measure reliably the expenditure attributable to the intangible asset during the development phase. Expenditure on the development phase which does not meet these above criteria is recognised in profit or loss when incurred.

19. Impairment of assets

Impairment of assets other than inventories, contract assets and contract cost assets, 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, an intangible asset with an indefinite useful life and an intangible asset that is not ready for use shall be assessed for impairment at least at each year end, irrespective of whether there is any indication of impairment.

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.

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

19. Impairment of assets *(continued)*

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 abovementioned 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.

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 and unemployment insurance schemes administrated by the local governments and also the enterprise annuity, to which the Company and its subsidiaries are required to contribute a certain percentage of the basic salaries of its employees as stipulated by the applicable rules and regulations in the PRC or foreign regions, and the related expenditures are recorded in cost of related assets or profit or loss in the period when they incurred. Forfeited contributions (if any) will not be used by the Group, as the employer, to reduce the existing level of contributions.

Post-employment benefits (defined benefit plan)

A subsidiary of the Group in Serbia operates a defined benefit pension plan which has not established 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.

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

21. Employee benefits *(continued)*

Post-employment benefits (defined benefit plan) *(continued)*

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.

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; interest costs on the defined benefit obligation.

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.

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 lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease.

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 current 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, the carrying amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. 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.

Notes to Financial Statements *(continued)*

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

23. Provision

Except for contingent consideration and contingent liabilities arising from business combinations not involving entities 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.

A contingent liability recognised in a business combination not involving entities under common control is initially measured at its fair value. Subsequently, it is measured at the higher of (i) the amount that would be recognised in accordance with the general policy for provisions above and (ii) the amount initially recognised less, when appropriate, the amount of income recognised in accordance with the policy for revenue recognition.

Financial guarantee contracts that are subsequently measured at expected credit losses are presented as provisions.

24. Share-based payment

A share-based payment is classified as either an equity-settled share-based payment or a cash-settled share-based payment. An equity-settled share-based payment is a transaction in which the Group receives services and uses shares or other equity instruments as consideration for settlement.

An equity-settled share-based payment in exchange for services received from employees is measured at the fair value of the equity instruments granted to the employees. If such equity-settled share-based payment could vest immediately, related costs or expenses at an amount equal to the fair value on the grant date are recognised, with a corresponding increase in capital reserve; if such equity-settled share-based payment could not vest until the completion of services for a vesting period, or until the achievement of a specified performance condition, the Group at each end of the reporting period during the vesting period recognises the services received for the current period as related costs and expenses, with a corresponding increase in capital reserve, at an amount equal to the fair value of the equity instruments at the grant date, based on the best estimate of the number of equity instruments expected to vest. Please refer to Note XI.

For share-based payment that does not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where share-based payment includes a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled share-based payment are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled share-based payment is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the share-based payment is recognised immediately. This includes any share-based payment where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new share-based payment is substituted for the cancelled share-based payment and is designated as a replacement on the date that it is granted, the cancelled and new share-based payment is treated as if they were a modification of the original payment.

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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)*

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.

26. Revenue from contracts with customers

The Group recognises revenue when it has fulfilled its obligations under the contract, i.e., when the customer acquires control of relevant goods or services. Acquiring 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

There is a metals streaming business in Continental Gold Inc. ("Continental Gold") acquired by the Group in 2020. 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 will estimate the change of total metal reserves and planned mining reserves of the mines change on a regular basis and adjustments shall be made to the revenue and financing expenses recognised in historical periods based on the updated prices in the change periods. Continental Gold had redeemed its gold delivery obligations on 30 December 2020, please refer to Note V.43.

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 revenue related to build-operate-transfer ("BOT") arrangement operation and maintenance, revenue from refuse disposal operation services, flue gas treatment operation services and refuse-incineration power generation operation services. As the customer is able to simultaneously receive and consume the economic benefits brought by the Group's contractual performance when the Group performs a contract, the Group considers such contractual performance obligations to be obligations performed over a period of time, and revenue shall be recognised according to the progress of performance.

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

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

PPP project contract

A PPP project contract refers to a contract entered into between the Group and the government in respect of cooperation in a PPP project in accordance with laws and regulations, which also has the following features simultaneously (the "Dual Features"):

- (1) The Group uses PPP project assets to offer public products and services on behalf of the government during the operation period prescribed in the contract; and
- (2) The Group receives compensation for the public products and services offered by it within the period prescribed in the contract.

PPP project contracts shall satisfy simultaneously the following criteria (the "Dual Control"):

- (1) The government controls or regulates the types, recipients and prices of public products and services that must be offered by the private investors in the PPP project assets; and
- (2) When the PPP project contract is terminated, the government controls the significant remaining interests in the PPP project assets through ownership, income rights or other means.

Construction, operation and handover activities are usually included under PPP contracts. During the construction phase, the Group determines whether the Group is the principal or agent in accordance with the accounting policy stated below. If the Group is the principal, the PPP project contract revenue and contract assets of the construction services are recognised accordingly, with revenue from construction contract measured at the fair value of the consideration received or receivable.

The Group is entitled to charge fees from those who obtain public products and services, but for those with uncertainties in the charge amount, the right does not constitute an unconditional right to receive cash. When the PPP project assets of the Company and its subsidiaries are ready for their intended use, the amount of the consideration or confirmed construction income of the PPP project assets shall be recognised as intangible assets, and accounted for under the abovementioned accounting policies for intangible assets.

In the operational phase, when construction services are provided, the corresponding revenue is recognised; routine maintenance or repair costs incurred are recognised as current expenses. The portion of the expenditure expected to be incurred by the Group to maintain the infrastructure in a serviceable condition or in a useable condition until it is transferred to the contract owner under relevant contract is recognised as provision.

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.

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

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

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 finance 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

Trading

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.

PPP project contracts

The Group determines whether it is a principal or an agent when engaging in a PPP project transaction based on whether it has control over the construction services before transferring them to the customer. If the Group is able to control the construction services before transferring them to the customer, the Group is the principal and recognises revenue based on the total consideration received or receivable; otherwise, the Group is the agent and recognises revenue based on the amount of the commission or fee it expects to be entitled to receive, which shall be determined as the net amount of the total consideration received or receivable less amounts payable to other related parties, or based on the predetermined amount or proportion of the commission, etc.

27. Contract assets and contract liabilities

The Group presents contract assets or contract liabilities on the statement of financial position according to the relationship between contractual performance obligations and customer payments. Contract assets and contract liabilities under the same contract are presented on a net basis after set-off.

Contract assets

The right to receive consideration following the transfer of products to customers which is dependent on factors other than the passage of time is presented as contract assets.

The Group's determination method and accounting treatment for recognising expected credit impairment losses on contract assets are set out in Note III.9.

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)*

27. Contract assets and contract liabilities *(continued)*

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.

28. Contract cost assets

Contract cost assets of the Group include the costs incurred to obtain or fulfill a contract to provide goods or services to customers and are classified as inventories or other non-current assets according to their liquidity.

The incremental costs of obtaining a contract with a customer are recognised as an asset if the Group expects to recover them.

Other than the costs which are capitalised as inventories, fixed assets, intangible assets, etc, costs incurred to fulfil a contract with a customer are capitalised as an asset if all of the following criteria are met:

- (1) The costs relate directly to a contract or to an anticipated contract that the entity can specifically identify, including direct labour, direct materials, manufacturing costs (or similar costs), costs that are explicitly chargeable to the customer and other costs that are incurred only because the Group enters into the contract;
- (2) The costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
- (3) The costs are expected to be recovered.

The Group's contract cost assets are amortised on a basis that is consistent with the revenue recognition of such assets, and the amortisation is recognised in the profit or loss for the current period.

The Group recognises an impairment loss in profit or loss for the current period on the contract cost assets to the extent that the carrying amount of such contract cost assets exceeds the difference between:

- (1) the remaining amount of consideration that the entity expects to receive in exchange for the goods or services to which the asset relates; and
- (2) the costs that relate directly to providing those goods or services.

29. Government grants

A government grant is recognised only when the Group can comply with the conditions attached 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.

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

29. Government grants *(continued)*

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 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.

Government grants related to assets shall be 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.

30. Deferred tax assets/liabilities

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.

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.

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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. Deferred tax assets/liabilities *(continued)*

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.

31. 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.

As lessee

The Group recognised right-of-use assets and lease liabilities for leases except for short-term leases and leases of low-value assets, and accounting treatment is set out in Note III.17 and Note III.22.

For a contract that contains lease components and non-lease components, the Group does not separate the lease components and non-lease components. The Group combines the components and accounts for them as a lease. Except for the categories of leased assets described above, the Group will allocate the consideration in the contract to each component on the basis of their respective relative stand-alone price.

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 office buildings, 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.

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. For a contract that contains lease components and non-lease components, the Group will allocate the consideration in the contract to each component on the basis of their respective relative stand-alone price.

As a lessor under finance leases

At the inception of the lease term, finance lease receivables are recognised in respect of finance lease, while finance lease assets are derecognised. At initial measurement, the net amount of lease investment is recognised as the carrying amount of finance lease receivables, which is the sum of the unsecured residual value and the lease payments yet to be received at the commencement of the lease term discounted to their present value using the implicit interest rate of the lease, including initial direct expenses. Interest income over the respective periods of the lease term is computed and recognised based on fixed cyclical interest rates and charged to current profit or loss. Variable lease payments not included in the net amount of lease investment are charged to current profit or loss as and when incurred.

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

31. Leases *(continued)*

As lessor *(continued)*

As a lessor under finance leases (continued)

When the Group acts as a manufacturer or dealer lessor of a financial lease, at the inception of the lease term, the Group recognises the lease income based on the lower of the fair value of the leased asset and the present value of the lease receipts discounted at the market interest rate, and recognises the cost of sales based on the balance after deducting the present value of the unguaranteed residual value from the carrying amount of the leased asset. The costs incurred by the Group to obtain finance leases are recognised in the current profit and loss at the inception of the lease term.

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. Initial direct costs are capitalised and amortised on the same basis as the recognition of rental income over the lease term, and are included in the profit or loss by instalments.

Sale and leaseback transactions

The Group applies Note III.26 to determine whether the transfer of an asset is accounted for as a sale of that asset.

As lessee

If the transfer of an asset is a sale, the Group shall measure the right-of-use assets arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use, and recognise only the amount of any gain or loss that relates to the rights transferred to the lessor. If the transfer of an asset does not constitute a sale, the Group shall continue to recognise the transferred assets and recognise a financial liability equal to the transfer proceeds in accordance with Note III.9.

As lessor

If the transfer of assets in the after-sale and leaseback transaction is a sale, the Group, as a lessor, accounts for asset purchase, and accounts for asset lease in accordance with policies in the aforementioned; if the transfer of assets in the after-sale and leaseback transaction is not a sale, the Group, as a lessor, does not recognise the transferred assets, but recognises a financial asset equal to the transfer income in accordance with Note III.9.

32. 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.

At the inception of a hedge relationship, the Group officially designates the hedge relationship and prepares formal written documents of the hedge relationship, risk management objectives and hedge strategies. The documents include 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.

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

32. Hedge accounting *(continued)*

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.72.

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.

Hedging costs

The Group separates the forward element and the spot element of a forward contract and only designates the change in the value of the spot element of the forward contract as the hedging instrument; 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.

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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)*

33. 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.

34. Profits distribution

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

35. 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.

36. Fair value measurement

The Group measures its receivables financing, certain debts and investments in 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.

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.

37. Carbon emission right assets

If key emission enterprises obtain carbon emission allowances through purchase, the carbon emission allowances obtained will be recognised as carbon emission right assets on the purchase date and measured at cost. For the carbon emission allowances obtained by the key emission enterprises through the government's free allocation and other methods without any compensation paid, no accounting treatment shall be made. When the carbon emission allowances are used or the purchased carbon emission allowances are sold and the obligation is performed (i.e., the emission reduction obligation is fulfilled), the carbon emission right assets will be transferred to the profit and loss for the current period.

38. 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.

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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)*

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

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:

Corporate income tax

As a result of the fact that certain matters relating to the corporate income taxes have not been confirmed by the local tax bureau as at the end of the reporting period, objective estimates based on currently enacted tax laws, regulations and other related policies are required in determining the provision for corporate income tax expenses to be made for the reporting period. Where the final tax outcome of these matters is different from the amounts originally provided, the differences will be accounted for in the income tax expenses in the period in which the differences are realised.

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.

Scope of consolidation – the Group holding half or less than half of the total voting rights of Longking

The Group has determined that it has obtained the controlling power in Longking even it holds less than half of the total voting rights of Longking. It is because the Group is the largest single shareholder of Longking, holding 15.86% of its shares and 25.86% of its voting rights. The rest of the shares of Longking are widely held by a number of other shareholders. There are no other shareholders having exercised voting rights collectively or holding more shares of Longking than the Group since the acquisition date. At the same time, the Group can direct the board resolutions of Longking to be passed and approve the appointment of key management personnel of Longking by holding more than half of the total voting rights in the board of directors of Longking. Therefore, the Group includes Longking in the scope of consolidation.

Business model

The classification of financial assets at initial recognition depends 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 depends on the characteristics of the contractual cash flows of the 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 the judgement on whether there is any significantly different from the benchmark cash flows when assessing modifications to the time value of money.

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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)*

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

Judgements *(continued)*

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.

Equity acquisition not constituting a business - acquisition of Neo Lithium Corp. ("Neo Lithium")

The Group acquired Neo Lithium in 2022. The core asset of Neo Lithium is the Tres Quebradas Salar project ("3Q Project") located in Catamarca Province in northwestern Argentina. The Group considered that the 3Q Project has not commenced construction and there is a lack of substantive process and does not have outputs. Therefore, the Group determined that the acquisition of Neo Lithium should be defined as an equity acquisition not constituting a business.

Equity acquisition not constituting a business - acquisition of Zhejiang Jinshi Mining Co., Ltd. ("Jinshi Mining")

The Group acquired Jinshi Mining in 2022. The core asset of Jinshi Mining is the Lakkor Tso Salar Project. The Group considered that the Lakkor Tso Salar Project has not commenced construction and there is a lack of substantive process and does not have outputs. Therefore, the Group determined that the acquisition of Jinshi Mining should be defined as an equity acquisition not constituting a business.

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 Company's accounting policies for inventories and the measurement of the lower of cost and net realisable value. At least at every financial year end, 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)*

For the year ended 31 December 2022

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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)*

38. 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.16, 17, 18 and 20.

Expected production start date

Río Blanco Copper S.A. ("Río Blanco"), a subsidiary of the Group, holds the exploration rights of the Río Blanco Copper Project in Peru. The mine has not yet been constructed and commenced to operation. The expected production start date of the mining area is a significant estimate made by the management of the Group based on the comprehensive judgement of the local community work in the mining area and other relevant factors.

Impairment of goodwill

Goodwill is tested for impairment at least at the end of each year. An impairment exists when the carrying amount 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 is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or asset group and choose a suitable discount rate in order to calculate the present value of those cash flows. Please refer to Note V.21.

Fair value of non-listed equity investments

The non-listed equity investments have been valued based on a market-based valuation technique. This valuation requires the Group to determine the comparable listed companies, select the price multiple, and make estimates about the discount for lack of liquidity, and hence they are subject to uncertainty.

Useful lives of property, plant and equipment

The Group 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 Group 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.

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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)*

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

Estimation uncertainty *(continued)*

Exploration expenditures

After determining the capitalisation amount of exploration expenditures, the Group will regularly evaluate the exploration results. If the reviewed geological exploration report shows that there are no prospecting results or no economically recoverable reserves, or that the economic benefits of mining cannot be achieved and further exploration is unnecessary due to low grade and difficulties in mining and processing, the exploration and development costs previously collected will be expensed and included in the profit and loss for the current period in a lump sum.

Proved mineral reserves

Proved mineral reserves are estimated based on professional knowledge, experience and industry practice. Generally, the estimated mineral reserve volume 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 performance.

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.

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.

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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)*

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

Estimation uncertainty *(continued)*

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.

Contingent liability

For the possible obligations arising from past transactions or events which existence will be confirmed only by the occurrence or non-occurrence of uncertain future events, or present obligations arising from past transactions or events where the likelihood of an outflow of resources is remote or the liabilities cannot be measured reliably, such as legal proceedings, arbitration, claims, disputes, external guarantees, etc., the Group will estimate whether it is required to be disclosed or recognised in the financial statements for the current period based on legal advice and the probability of future occurrence.

39. Changes in accounting policies

Property, Plant and Equipment: Proceeds before Intended Use

According to Accounting Standards for Business Enterprises Interpretation No. 15, starting from 1 January 2022, an entity is prohibited from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling any such items, and the cost of those items in profit or loss. Before the sale of items, the entity is required to identify and measure the cost of items produced in inventories or other relevant assets when they meet the recognition conditions of assets in accordance with the applicable accounting standards. Since there was no sale of items produced prior to the property, plant and equipment being available for use in 2021, the amendments did not have any impact on the financial position or performance of the Group in accordance with Accounting Standards for Business Enterprises Interpretation No. 15.

Adjustment to the scope of covid-19-related rent concessions

In prior years, the Group, as a lessee and lessor, applied the practical expedient to eligible rent concessions occurring for all leases under the Accounting Treatment for Covid-19-related Rent Concessions. According to the Notice on Issues Related to the Application of the Accounting Treatment for Covid-19-related Rent Concessions issued in May 2022, the Group continued to apply the practical expedient to eligible rent concessions occurring for similar leases in the current year.

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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	<p>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 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%. VAT payable is the difference between VAT output and the deductible VAT input for the current period. The output VAT rate for transportation service was 9%, and that for trademark royalty income and technical service income was 6%. VAT payable is the difference between VAT output and the deductible VAT input for the current period.</p> <p>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 in accordance with the relevant provisions of local VAT or goods services tax ("GST") law.</p>																										
City construction and maintenance tax	<p>Levied on actual payment of turnover tax at rates ranging from 1% to 7%.</p>																										
Resource tax	<p>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") coming into force as of 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 lead-zinc resources.</p> <p>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.</p>																										
Corporate income tax	<table border="0" style="width: 100%;"> <thead> <tr> <th style="text-align: left;">Countries or regions where the subsidiaries and joint arrangement are situated</th> <th style="text-align: right;">Tax rate</th> </tr> </thead> <tbody> <tr> <td>Mainland China</td> <td style="text-align: right;">25%</td> </tr> <tr> <td>Hong Kong</td> <td style="text-align: right;">16.5%</td> </tr> <tr> <td>Australia and Papua New Guinea</td> <td style="text-align: right;">30%</td> </tr> <tr> <td>The Democratic Republic of the Congo</td> <td style="text-align: right;">30%</td> </tr> <tr> <td>The Republic of Serbia</td> <td style="text-align: right;">15%</td> </tr> <tr> <td>The Republic of Tajikistan</td> <td style="text-align: right;">18%</td> </tr> <tr> <td>The Russian Federation</td> <td style="text-align: right;">20%</td> </tr> <tr> <td>Eritrea</td> <td style="text-align: right;">38%</td> </tr> <tr> <td>Colombia</td> <td style="text-align: right;">35%</td> </tr> <tr> <td>Guyana</td> <td style="text-align: right;">25%</td> </tr> <tr> <td>The Kyrgyz Republic (Note 1)</td> <td></td> </tr> <tr> <td>Argentina</td> <td style="text-align: right;">25%-35%</td> </tr> </tbody> </table> <p>Note 1: For the Company's subsidiaries incorporated in the Kyrgyz Republic, according to the local tax laws updated on 18 January 2022, mining and sales of gold ore and gold concentrates are subject to a corporate income tax rate of 10%, and 0% for alloy gold and refined gold. At the same time, income tax is calculated and paid according to a certain proportion of sales income (ranging at the rate from 1% to 20% depending on the range of gold price).</p>	Countries or regions where the subsidiaries and joint arrangement are situated	Tax rate	Mainland China	25%	Hong Kong	16.5%	Australia and Papua New Guinea	30%	The Democratic Republic of the Congo	30%	The Republic of Serbia	15%	The Republic of Tajikistan	18%	The Russian Federation	20%	Eritrea	38%	Colombia	35%	Guyana	25%	The Kyrgyz Republic (Note 1)		Argentina	25%-35%
Countries or regions where the subsidiaries and joint arrangement are situated	Tax rate																										
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The Republic of Tajikistan	18%																										
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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

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 Announcement on 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 Announcement No. 23), from 1 January 2021 to 31 December 2030, the enterprises in the western region, which are engaged in encouraged industries could 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.

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 reduced CIT rate of 15% in 2022.
- (2) Xinjiang Zijin Zinc Co., Ltd. ("Zijin Zinc") fulfilled the conditions of preferential taxation policies for the Western Development and was entitled to a reduced CIT rate of 15% in 2022.
- (3) Xinjiang Jinbao Mining Co., Ltd. ("Xinjiang Jinbao") fulfilled the conditions of preferential taxation policies for the Western Development and was entitled to a reduced CIT rate of 15% in 2022.
- (4) Hunchun Zijin Mining Co., Ltd. ("Hunchun Zijin") fulfilled the conditions of preferential taxation policies for the Western Development and was entitled to a reduced CIT rate of 15% in 2022.
- (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 reduced CIT rate of 15% in 2022.
- (6) Longnan Zijin Mining Co., Ltd. ("Longnan Zijin") fulfilled the conditions of preferential taxation policies for the Western Development and was entitled to a reduced CIT rate of 15% in 2022.

Pursuant to the Notice of the People's Government of the Tibet Autonomous Region on the Provision of Preferential Policies for Investment Promotion of the Tibet Autonomous Region (Zang Zheng Fa [2021] No. 9) and the Implementation Method of Corporate Income Tax Policies in the Tibet Autonomous Region (Tentative) (Zang Zheng Fa [2022] No. 11), Tibet Julong Copper Co., Ltd. ("Julong Copper"), a subsidiary of the Group, fulfilled the conditions for enjoying a tax concession and was entitled to a reduced CIT rate of 9% in 2022.

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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)*

The Company passed the reassessment on the qualification of High and New Technology Enterprise on 23 October 2020 and obtained the certificate of High and New Technology Enterprise (reference number: GR202035000605). The validity period of the certificate is 3 years. The Company was entitled to a CIT rate of 15% in 2022.

Fujian Zijin Copper Co., Ltd. ("Fujian Zijin Copper"), a subsidiary of the Group, passed the reassessment on the qualification of High and New Technology Enterprise on 2 December 2019 and obtained the certificate of High and New Technology Enterprise (reference number: GR201935000447). The validity period of the certificate is 3 years. On 6 January 2023, the Office of the Leading Group for the Administration of Determination of High and New Technology Enterprises of the Whole Country issued the Announcement in relation to Filing of the First Batch of High and New Technology Enterprises Recognised by the Accreditation Institutions in Fujian Province in 2022. Fujian Zijin Copper was included in the list of companies which met the accreditation conditions and was entitled to a CIT rate of 15% in 2022.

Yuanyang Huaxi Gold Co., Ltd. ("Yuanyang Huaxi"), a subsidiary of the Group, passed the reassessment on the qualification of High and New Technology Enterprise on 3 December 2021 and obtained the certificate of High and New Technology Enterprise (reference number: GR202153000647). The validity period of the certificate is 3 years.

Pursuant to the Notice of Ministry of Finance and the State Taxation Administration in relation to the Issues on Preferential Policies on Corporate Income Tax for Public Infrastructure Projects and Projects of Environmental Protection, Energy Saving and Water Conservation, Pinghu Lingang Energy Co., Ltd. ("Pinghu Lingang"), Jiangsu Hongde Environmental Protection Technology Co., Ltd. ("Jiangsu Hongde"), Shandong Zhongbin Environmental Protection Technology Co., Ltd. ("Shandong Zhongbin"), Jinan Longking Environmental Protection Technology Co., Ltd. ("Jinan Longking"), Covanta (Shijiazhuang) New Energy Technology Co., Ltd. ("Shijiazhuang Covanta"), Handan Langjing Environmental Protection Technology Co., Ltd. ("Handan Langjing") and Fujian Zijin New Energy Co., Ltd. ("Zijin New Energy") were engaged in businesses in the Preferential Corporate Income Tax Catalogue on Environmental Protection, Energy Saving and Water Conservation Projects (2021 version), and were entitled to the "3-year exemption and 3-year half payment" corporate income tax concession since the tax year in which the first amount of operating income is received for such projects.

Pursuant to the Announcement in relation to the Corporate Income Tax Issues on Third-Party Enterprises Engaging in Pollution Prevention and Control issued by the Ministry of Finance, the State Taxation Administration, the National Development and Reform Commission and the Ministry of Ecology and Environment (2019 Announcement No. 60), third-party enterprises engaging in pollution prevention and control which fulfill the conditions are entitled to a reduced CIT rate of 15%. The implementation period of the announcement was from 1 January 2019 to 31 December 2021. Pursuant to the Announcement in relation to Extension of the Implementation Period of Certain Preferential Tax Policies issued by the Ministry of Finance and the State Taxation Administration (2022 Announcement No. 4), the aforesaid regulation on preferential tax policy is extended, and the implementation period is extended to 31 December 2023. Taizhou Dechang Environmental Protection Co., Ltd. ("Taizhou Dechang"), a subsidiary of the Group, fulfilled the conditions for enjoying tax concessions of third-party enterprises engaging in pollution prevention and control and was entitled to a reduced CIT rate of 15% in 2022.

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 of being identified as a qualifying corporate treasury centre, and was entitled to a reduced profits tax rate of 8.25% in 2022 (representing 50% of the regular tax rate).

The Company's subsidiaries incorporated in the Russian Federation fulfilled the prescribed requirements of the conditions for enjoying local tax concessions, the applicable preferential income tax rate from 2020 to 2024 is 10%.

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

1. Cash and cash equivalents

	2022	2021
Cash	34,243,931	13,328,670
Bank deposits	18,976,794,075	13,723,624,655
Other monetary funds (Note 1)	1,232,699,046	484,826,927
	20,243,737,052	14,221,780,252
Including: Total amount with restrictions on use due to mortgage, pledge or freeze	575,898,514	206,982,988

Note 1: As at 31 December 2022, the balance of other monetary funds of the Group denominated in Renminbi mainly included: land restoration and environmental rehabilitation costs of RMB142,488,327 (31 December 2021: RMB80,935,443), pursuant to the rules 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; foreign exchange deposit reserve of RMB46,112,617 (31 December 2021: RMB75,226,884), which was deposited in the People's Bank of China by the Group's subsidiary, Zijin Mining Group Finance Co., Ltd. ("Zijin Finance"); other guarantee deposits of RMB365,179,720 (31 December 2021: RMB50,810,365), which were restricted to use; bank deposits with a carrying amount of RMB22,117,850 (31 December 2021: RMB10,296) were frozen due to litigation; and a deposit in the Shanghai Gold Exchange and stock accounts of RMB582,606,918 (31 December 2021: RMB277,843,939); and the Group invested RMB74,193,614 in treasury bills with a maturity of 3 months (31 December 2021: Nil).

As at 31 December 2022, cash and cash equivalents in the equivalent amount of RMB7,511,688,298 (31 December 2021: RMB6,480,832,178) were deposited outside Mainland China.

Current deposits earn interest 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 at the relevant rates with different maturities.

2. Held for trading financial assets

	2022	2021
Financial assets at fair value through profit or loss		
Investments in debt instruments	111,086,559	1,596,952
Investments in equity instruments (Note 1)	3,486,317,085	1,562,935,664
Derivative financial assets (Note 2)	46,793,246	152,644,244
Current portion of other non-current financial assets (Note V.15)	62,500,000	79,300,000
Others (Note 3)	1,387,111,449	1,138,747,722
	5,093,808,339	2,935,224,582

Note 1: The Group's investments in equity aimed at making short-term profits.

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

Note 2: Derivative financial assets are as follows:

	2022	2021
(1) Derivative financial assets without designated hedging relationship	44,753,966	91,043,529
<i>Including: Metal forward contracts</i>	13,952,859	16,989,708
<i>Foreign currency forward contracts</i>	20,537,893	70,025,611
<i>Metal futures contracts</i>	2,369,514	4,028,210
<i>Equity swap contracts</i>	7,893,700	-
(2) Hedging instruments – Metal forward contracts	2,039,280	61,600,715
	46,793,246	152,644,244

Note 3: The Group's investments in funds aimed at making short-term profits, funds for co-operative business operation project of documentary factoring business, bank wealth management products and structured deposits are as follows:

	2022	2021
Funds	894,779,598	1,047,508,145
Bank wealth management products and structured deposits	457,331,851	91,239,577
Documentary factoring business	35,000,000	-
	1,387,111,449	1,138,747,722

3. Bills receivable

	2022	2021
Bank acceptance bills	463,347,159	-
Commercial acceptance bills	269,274,684	-
	732,621,843	-
Less: Bad debt provision for bills receivable	3,200,690	-
	729,421,153	-

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. Bills receivable *(continued)*

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

	2022				
	Carrying amount		Bad debt provision		Net book value
	Amount	Proportion (%)	Amount	Proportion (%)	
Provision for bad debts based on credit risk characteristics	732,621,843	100	3,200,690	0.44	729,421,153
	732,621,843	100	3,200,690	0.44	729,421,153

The movements of bad debt provision for bills receivable are as follows:

	At 1 January	Additions	Recovery or reversal	Write-off	At 31 December
2022	–	3,200,690	–	–	3,200,690
2021	–	–	–	–	–

Among which, bills receivable which have been pledged are as follows:

	31 December 2022	31 December 2021
Bank acceptance bills (Note)	460,327,160	–
	460,327,160	–

Note: The pledged bills receivable represented pledged collaterals provided by the Group for issuing bank acceptance bills with small denominations. They mainly included the bank acceptance bills of RMB460,327,160 (31 December 2021: Nil) pledged at the Bank of China Limited Leting Sub-branch, Bank of Communications Limited Pingdingshan Branch, Shanghai Pudong Development Bank Co., Ltd., Chongqing Branch by Fujian Longking Co., Ltd., Xian Longking Co., Ltd., Wuhan Longking Co., Ltd., Tianjin Longking Co., Ltd., Suqian Longking Co., Ltd. and other companies of the Group.

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

	2022		2021	
	Derecognised	Not derecognised	Derecognised	Not derecognised
Commercial acceptance bills	–	172,028,631	–	–
	–	172,028,631	–	–

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. Bills receivable *(continued)*

Bills receivable which were reclassified as trade receivables due to non-performance of obligations of the issuers are as follows:

	31 December 2022	31 December 2021
Commercial acceptance bills	4,558,939	–
	4,558,939	–

4. Trade receivables

	2022	2021
Trade receivables at fair value through profit or loss		
– Trade receivables with provisional pricing terms (Note)	2,271,361,470	–
Trade receivables at amortised cost	5,645,603,136	2,445,223,101
	7,916,964,606	2,445,223,101

Note: Certain product sale contracts of the Group contain provisional pricing terms. Under the new financial instruments standard, the trade receivables derived from product sale contracts with such terms shall not be separated and embedded in derivative instruments and shall be classified as a whole. As the basis of the contractual cash flow characteristics of such kind of trade receivables are not solely payments of principal and interest on the principal amounts outstanding, the Group classifies such items as financial assets at fair value through profit or loss.

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

An ageing analysis of trade receivables is as follows:

	2022	2021
Within 1 year	4,231,793,710	2,369,052,561
Over 1 year but within 2 years	797,271,143	81,368,697
Over 2 years but within 3 years	444,070,801	14,238,006
Over 3 years	363,280,185	10,647,647
	5,836,415,839	2,475,306,911
Less: Bad debt provision for trade receivables	190,812,703	30,083,810
	5,645,603,136	2,445,223,101

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

Note: The notes to financial statements with “*” are disclosed in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Hong Kong Companies Ordinance.

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)*

4. Trade receivables *(continued)*

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

	2022				
	Carrying amount		Bad debt provision		Net book value
	Amount	Proportion (%)	Amount	Proportion (%)	
For which bad debt provision has been made individually	38,463,716	0.66	38,463,716	100	–
Provision for bad debts based on credit risk characteristics					
Among which: Group of non-ferrous metal business	2,658,905,691	45.56	11,743,823	0.44	2,647,161,868
Group of environmental protection business	3,139,046,432	53.78	140,605,164	4.48	2,998,441,268
	5,836,415,839	100	190,812,703	3.27	5,645,603,136
	2021				
	Carrying amount		Bad debt provision		Net book value
	Amount	Proportion (%)	Amount	Proportion (%)	
For which bad debt provision has been made individually	14,610,811	0.59	14,610,811	100.00	–
Provision for bad debts based on credit risk characteristics					
Among which: Group of non-ferrous metal business	2,460,696,100	99.41	15,472,999	0.63	2,445,223,101
	2,475,306,911	100.00	30,083,810	1.22	2,445,223,101

If there is objective evidence that a trade receivable is credit-impaired, the Group makes provision for bad debt to the trade receivable individually and recognises expected credit losses.

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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. Trade receivables *(continued)*

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

Group of non-ferrous metal business:

	2022			2021		
	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	2,634,375,220	0.32	8,302,288	2,371,436,211	0.30	7,114,309
Over 1 year but within 2 years	15,509,479	6.00	930,569	67,910,734	6.00	4,074,644
Over 2 years but within 3 years	1,302,213	15.00	195,332	14,138,006	15.00	2,120,701
Over 3 years	7,718,779	30.00	2,315,634	7,211,149	30.00	2,163,345
	2,658,905,691		11,743,823	2,460,696,100		15,472,999

Group of environmental protection business:

	2022			2021		
	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	1,571,004,030	0.66	10,428,187	–	–	–
Over 1 year but within 2 years	777,443,357	1.99	15,479,006	–	–	–
Over 2 years but within 3 years	442,552,141	1.64	7,242,372	–	–	–
Over 3 years	348,046,904	30.87	107,455,599	–	–	–
	3,139,046,432		140,605,164	–	–	–

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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. Trade receivables *(continued)*

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

	At 1 January	Additions	Recovery or reversal	Write-off	At 31 December
2022	30,083,810	169,694,728	(2,672,165)	(6,293,670)	190,812,703
2021	18,801,049	12,619,074	(819,001)	(517,312)	30,083,810

The five entities with the largest balances of trade receivables at 31 December 2022 are as follows:

Name of entity	Relationship	Closing balance	Proportion of trade receivables (%)	Ageing	Closing balance of bad debt provision
Trafigura Pte. Ltd.	Third party	427,799,914	5.28	Within 1 year	1,283,400
Album Trading Co., Ltd.	Third party	368,526,556	4.55	Within 1 year	1,105,580
Hartree Metals LLC	Third party	350,534,207	4.32	Within 1 year	1,051,603
Intercontinental Resources HK Co., Limited	Third party	317,416,096	3.91	Within 1 year	952,248
Werco Trade AG	Third party	290,152,874	3.58	Within 1 year	870,459
		1,754,429,647	21.64		5,263,290

The five entities with the largest balances of trade receivables at 31 December 2021 are as follows:

Name of entity	Relationship	Closing balance	Proportion of trade receivables (%)	Ageing	Closing balance of bad debt provision
Transamine Trading S.A.	Third party	281,335,664	11.37	Within 1 year	844,007
Trafigura Pte. Ltd.	Third party	249,968,219	10.10	Within 1 year	749,905
Xiamen ITG Nonferrous Metals and Minerals Co., Ltd.	Third party	237,401,818	9.59	Within 1 year	712,205
Gerald Metals Sarl	Third party	186,792,664	7.55	Within 1 year	560,378
IXM S.A.	Third party	157,573,990	6.37	Within 1 year	472,722
		1,113,072,355	44.98		3,339,217

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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. Receivables financing

	2022	2021
Bills receivable (Note 1)	2,949,903,644	1,958,255,180
Trade receivables	41,645,270	–
	2,991,548,914	1,958,255,180

Note 1: The Group classified certain bills receivable as financial assets at fair value through other comprehensive income based on contractual cash flow characteristics, presented as receivables financing. As at 31 December 2022, the accumulated bad debt provision for the Group's receivables financing was RMB4,921,131 (as at 31 December 2021: Nil). Details of receivables financing are as follows:

	2022	2021
Bank acceptance bills	2,810,768,150	1,722,616,755
Commercial acceptance bills	176,089,524	271,090,000
	2,986,857,674	1,993,706,755
Less: Other comprehensive income – changes in fair value	36,954,030	35,451,575
	2,949,903,644	1,958,255,180

The Group did not have any externally pledged receivables financing in 2022 and 2021.

In 2022 and 2021, the Group did not have any receivables financing which were reclassified as trade receivables due to non-performance of obligations of the issuers.

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

	2022		2021	
	Derecognised	Not derecognised	Derecognised	Not derecognised
Bank acceptance bills	3,201,624,672	1,321,665,087	721,451,130	670,475,468
Commercial acceptance bills	–	176,089,524	–	15,300,000
	3,201,624,672	1,497,754,611	721,451,130	685,775,468

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. Prepayments

An ageing analysis of prepayments is as follows:

	2022		2021	
	Carrying amount	Proportion (%)	Carrying amount	Proportion (%)
Within 1 year	3,544,830,809	92.92	1,624,764,477	90.43
Over 1 year but within 2 years	126,475,001	3.32	63,001,777	3.51
Over 2 years but within 3 years	43,888,877	1.15	36,467,105	2.03
Over 3 years	99,660,887	2.61	72,485,862	4.03
	3,814,855,574	100.00	1,796,719,221	100.00
Less: Bad debt provision for prepayments	19,648,712		14,298,555	
	3,795,206,862		1,782,420,666	

As at 31 December 2022, prepayments with significant balances aged over one year are as follows:

	Carrying amount	Reasons for not yet settled
Metso Outotec International Trade (Tianjin) Co., Ltd.	46,782,238	Prepaid materials
MRI Trading AG (Switzerland)	34,449,142	Prepaid materials
	81,231,380	

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

	At 1 January	Additions	Reversal/ Write-off	At 31 December
2022	14,298,555	7,433,805	(2,083,648)	19,648,712
2021	3,855,478	10,483,091	(40,014)	14,298,555

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. Prepayments *(continued)*

The five entities with the largest balances of prepayments at 31 December 2022 are as follows:

Name of entity	Relationship	Closing balance	Proportion of prepayments (%)
Kamoa Copper S.A. ("Kamoa Copper") (Note1)	Subsidiary of a joint venture	227,080,969	5.95
Inner Mongolia Dongshengmiao Mining Co., Ltd.	Third party	163,103,953	4.28
Zisen (Xiamen) Supply Chain Management Co., Ltd. ("Zisen Supply Chain")	Associate	147,283,720	3.86
Trafigura Trading LLC	Third party	133,451,900	3.50
Metso Outotec International Trade (Tianjin) Co., Ltd.	Third party	120,004,088	3.15
		790,924,630	20.74

Note 1: Interest is accrued on the prepayment at LIBOR+5% or 8% per annum.

The five entities with the largest balances of prepayments at 31 December 2021 are as follows:

Name of entity	Relationship	Closing balance	Proportion of prepayments (%)
WH Metals Limited	Third party	126,430,999	7.04
Mintmetals North-Europe AB	Third party	64,692,398	3.60
Liaoning Jintaiyuan Metal Material Co., Ltd.	Third party	56,260,000	3.13
Chifeng Fubang Copper Co., Ltd.	Third party	44,665,375	2.49
Inner Mongolia Dongshengmiao Mining Co., Ltd.	Third party	38,932,195	2.17
		330,980,967	18.43

7. Other receivables

	2022	2021
Interest receivables	45,632,110	26,357,840
Other receivables	3,610,478,381	1,359,359,058
	3,656,110,491	1,385,716,898

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)*

7. Other receivables *(continued)*

An ageing analysis of other receivables is as follows:

	2022	2021
Within 1 year	1,838,872,155	1,087,191,655
Over 1 year but within 2 years	1,562,451,311	65,461,459
Over 2 years but within 3 years	92,192,557	34,064,147
Over 3 years	309,926,730	277,239,491
	3,803,442,753	1,463,956,752
Less: Bad debt provision for other receivables	192,964,372	104,597,694
	3,610,478,381	1,359,359,058

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:

2022

	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
Opening balance	1,374,033	-	103,223,661	104,597,694
Transfers between stages of opening balance during the year	-	-	-	-
Provision during the year	6,241,246	84,706,236	1,440,688	92,388,170
Reversal during the year	-	-	(30,000)	(30,000)
Write-back during the year	-	-	(3,991,492)	(3,991,492)
Write-off during the year	-	-	-	-
Other changes	-	-	-	-
	7,615,279	84,706,236	100,642,857	192,964,372

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)*7. 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)*

2021

	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)	
Opening balance	1,168,884	–	116,243,617	117,412,501
Transfers between stages of opening balance during the year	–	–	–	–
Provision during the year	205,149	–	197,015	402,164
Reversal during the year	–	–	(1,556,993)	(1,556,993)
Write-back during the year	–	–	–	–
Write-off during the year	–	–	(11,659,978)	(11,659,978)
Other changes	–	–	–	–
	1,374,033	–	103,223,661	104,597,694

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

	At 1 January	Additions	Recovery or reversal	Write-off	At 31 December
2022	104,597,694	92,388,170	(30,000)	(3,991,492)	192,964,372
2021	117,412,501	402,164	(1,556,993)	(11,659,978)	104,597,694

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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. Other receivables *(continued)*

The category of other receivables by nature is as follows:

	2022	2021
Equity investment in Huatai Insurance	1,397,652,894	—
Tax rebate receivables	348,364,641	369,111,866
Loans and advance payments	40,500,000	194,150,000
Guarantees and deposits	892,904,696	136,634,124
Deferred expenses	145,856,117	102,133,560
Due from third parties	127,399,545	98,864,671
Receivables from disposal of assets	88,301,735	87,729,533
Receivables from associates and joint ventures	87,757,904	78,312,296
Advanced material costs	172,594,848	50,506,708
Staff advances and reserve funds	100,801,558	46,014,692
Receivables from settlement of futures	250,406	28,177,962
Due from non-controlling shareholders	1,074,533	4,965,671
Others	399,983,876	267,355,669
	3,803,442,753	1,463,956,752
Less: Bad debt provision for other receivables	192,964,372	104,597,694
	3,610,478,381	1,359,359,058

The five entities with the largest balances of other receivables at 31 December 2022 are as follows:

	Closing balance	Proportion of other receivables (%)	Nature	Ageing	Closing balance of bad debt provision
Wuhan Tianying Investment Group Co., Ltd.	1,397,652,894	36.75	Equity investment in Huatai Insurance	Over 1 year but within 2 years	84,706,236
Department of Natural Resources of Xinjiang Uygur Autonomous Region	400,000,000	10.52	Guarantees and deposits	Within 1 year	—
Serbian Tax Administration	151,955,261	4.00	Tax rebate receivables	Within 1 year	—
State Taxation Administration	137,386,675	3.61	Tax rebate receivables	Within 1 year	—
C&D Logistics Group Co., Ltd.	86,619,051	2.28	Guarantees and deposits	Within 1 year	—
	2,173,613,881	57.16			84,706,236

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)*

7. Other receivables *(continued)*

The five entities with the largest balances of other receivables at 31 December 2021 are as follows:

	Closing balance	Proportion of other receivables (%)	Nature	Ageing	Closing balance of bad debt provision
Serbian Tax Administration	199,699,095	13.64	VAT refund receivables	Within 1 year	–
State Taxation Administration	129,944,920	8.88	VAT refund receivables	Within 1 year	–
Fujian Evergreen New Energy Technology Co., Ltd. ("Evergreen New Energy")	70,116,855	4.79	Loans and advance payments	Within 1 year	–
Wengfu Zijin Chemical Co., Ltd. ("Wengfu Zijin")	64,130,178	4.38	Loans and advance payments	Within 1 year	–
Fujian Kingkop Co., Ltd. ("Fujian Kingkop")	50,413,780	3.44	Loans and advance payments	Within 1 year	–
	514,304,828	35.13			–

8. Inventories

	2022			2021		
	Carrying amount	Inventory provision	Net book value	Carrying amount	Inventory provision	Net book value
Raw materials	10,820,157,587	(69,417,248)	10,750,740,339	7,226,699,610	(108,563,919)	7,118,135,691
Work in process	14,575,446,899	(73,170,002)	14,502,276,897	9,119,379,582	(65,602,031)	9,053,777,551
Finished goods	2,890,917,158	(41,498,512)	2,849,418,646	3,182,366,261	(46,280,894)	3,136,085,367
Reusable materials	1,527,743	–	1,527,743	802,069	–	802,069
	28,288,049,387	(184,085,762)	28,103,963,625	19,529,247,522	(220,446,844)	19,308,800,678

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)*

8. Inventories *(continued)*

The movements of inventory provision are as follows:

2022

	At 1 January	Additions	Reductions		At 31 December
			Reversal	Write-back	
Raw materials	108,563,919	51,203,596	(90,240,233)	(110,034)	69,417,248
Work in process	65,602,031	51,048,775	(31,459,870)	(12,020,934)	73,170,002
Finished goods	46,280,894	50,954,227	(50,602,507)	(5,134,102)	41,498,512
	220,446,844	153,206,598	(172,302,610)	(17,265,070)	184,085,762

2021

	At 1 January	Additions	Reductions		At 31 December
			Reversal	Write-back	
Raw materials	74,391,615	82,421,696	(47,879,558)	(369,834)	108,563,919
Work in process	55,530,983	14,341,250	(4,270,202)	–	65,602,031
Finished goods	32,904,116	23,962,715	(9,596,816)	(989,121)	46,280,894
	162,826,714	120,725,661	(61,746,576)	(1,358,955)	220,446,844

2022 and 2021	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 process	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 31 December 2022, the Group had no inventories with restricted ownership (31 December 2021: Nil).

As at 31 December 2022, the Group had no capitalised interest expenses in the closing balance of inventories (31 December 2021: Nil).

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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)*

9. Contract assets

	2022			2021		
	Carrying amount	Impairment provision	Net book value	Carrying amount	Impairment provision	Net book value
Undue warranty deposits	1,203,266,412	7,655,903	1,195,610,509	–	–	–
Equipment commissioning receivables	161,120,031	–	161,120,031	–	–	–
Conditional receivables from sales of goods	136,529,908	1,433,564	135,096,344	–	–	–
Others	18,527,908	–	18,527,908	–	–	–
	1,519,444,259	9,089,467	1,510,354,792	–	–	–
Including: Contract assets presented as other non-current assets	(283,156,982)	–	(283,156,982)	–	–	–
	1,236,287,277	9,089,467	1,227,197,810	–	–	–

The significant change in contract assets this year was due to business combinations not involving entities under common control.

Changes in provision for impairment of contract assets are as follows:

	At 1 January	Provision	Recovery or reversal	Write-off	At 31 December
2022	–	10,747,830	–	(1,658,363)	9,089,467
2021	–	–	–	–	–

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

	2022				Net book value
	Carrying amount Amount	Proportion (%)	Impairment provision Amount	Proportion (%)	
Provision for bad debts based on group Including: Group of environmental protection business	1,519,444,259	100	9,089,467	0.60	1,510,354,792
	1,519,444,259	100	9,089,467	0.60	1,510,354,792

10. Current portion of non-current assets

	2022	2021
Current portion of long-term receivables (Note V.24)	257,251,200	8,923,967
Current portion of large-denomination certificates of deposit (Note V.12)	436,196,918	–
	693,448,118	8,923,967

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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. Other current assets

	2022	2021
VAT recoverable	1,409,011,277	1,660,845,502
Deposits for futures contracts	865,384,502	675,103,177
Liquid cash for futures contracts	1,531,026,681	382,280,127
Taxes prepayment and taxes recoverable	334,480,317	263,212,849
Input VAT to be verified	17,098,186	11,383,903
Large-denomination certificates of deposit and reverse repurchase of treasury bonds	1,020,497,217	–
Others	15,554,382	25,122,559
	5,193,052,562	3,017,948,117

12. Debt investments

	2022			2021		
	Carrying amount	Impairment provision	Net book value	Carrying amount	Impairment provision	Net book value
Treasury bonds	10,067,975	–	10,067,975	10,068,712	–	10,068,712
Large-denomination certificates of deposit with a term of over one year	748,058,723	–	748,058,723	458,067,450	–	458,067,450
Current portion of debt investments (Note 1)	(436,196,918)	–	(436,196,918)	–	–	–
	321,929,780	–	321,929,780	468,136,162	–	468,136,162

Note 1: The Group signed an agreement of large-denomination certificates of deposit amounting to RMB180,000,000 (interest rate: 3.64%) with Industrial Bank of China, and approximately RMB256,196,918 of principal and interest in total (interest rate: 3.85%) from the Agricultural Bank of China and Bank of China, all of which will mature within 1 year. Among which, large-denomination certificates of deposit with the Agricultural Bank of China of RMB100,000,000 was subject to restrictions on use (31 December 2021: RMB150,000,000).

13. Long-term equity investments

	2022			2021		
	Carrying amount	Impairment provision	Net book value	Carrying amount	Impairment provision	Net book value
Investments in joint ventures	5,672,681,638	(17,575,099)	5,655,106,539	3,492,988,576	(17,575,099)	3,475,413,477
Investments in associates	19,458,868,629	(47,038,703)	19,411,829,926	6,199,857,121	(47,038,703)	6,152,818,418
	25,131,550,267	(64,613,802)	25,066,936,465	9,692,845,697	(64,613,802)	9,628,231,895

Notes to Financial Statements (continued)

For the year ended 31 December 2022

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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)

13. Long-term equity investments (continued)

2022

	Movements during the year											
	At 1 January	Additions	Acquisitions of subsidiaries not involving entities under common control	Reductions	Investment income/(losses) under the equity method	Other comprehensive income	Other changes in equity	Cash dividends declared by investee	Reclassified as other equity instrument investments	Exchange realignments	At 31 December	Provision for impairment losses at 31 December
Joint ventures												
Gold Eagle Mining Investment Limited ("Gold Eagle Mining")	1,294,679,465	-	-	-	(14,887,294)	(38,994,447)	-	-	-	119,593,972	1,360,391,696	-
Shandong Guoda Gold Co., Ltd. ("Shandong Guoda")	185,885,095	-	-	-	20,732,261	-	-	-	-	-	206,617,356	(12,350,855)
Guizhou Funeng Zijin Energy Co., Ltd. ("Guizhou Funeng Zijin")	74,629,912	-	-	-	(865,873)	-	-	-	-	-	73,764,039	-
Guizhou Southwest Zijin Gold Development Co., Ltd. ("Southwest Zijin Gold")	19,249,250	-	-	-	943,478	-	-	-	-	-	20,192,728	-
Fujian Longhu Fishery Ecological Development Co., Ltd. ("Fujian Longhu Fishery")	9,981,709	-	-	-	578,621	-	-	-	-	-	10,560,330	-
Kamoa Holding Limited ("Kamoa")	1,901,077,525	-	-	-	1,754,597,725	-	-	-	-	213,403,322	3,869,078,572	-
Preduzece za Proizvodnju Bankarnog Praha-Pometon Tir	5,224,244	-	-	-	-	-	-	-	-	-	5,224,244	(5,224,244)
Doo Bor ("Pometon")	-	-	16,933,486	-	8,500,669	-	-	-	-	-	25,434,155	-
Fujian Longking Clear Edge Filtration Co., Ltd. ("Clear Edge Filtration")	-	14,700,000	-	-	(99,303)	-	-	-	-	-	14,600,697	-
Fujian Longking Poweroad Energy Storage Technology Co., Ltd.	2,261,376	84,519,071	-	-	37,374	-	-	-	-	-	86,817,821	-
Subtotal	3,492,988,576	99,219,071	16,933,486	-	1,769,537,658	(38,994,447)	-	-	-	332,997,294	5,672,661,638	(17,575,099)

Notes to Financial Statements (continued)

For the year ended 31 December 2022

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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)

13. Long-term equity investments (continued)

2022 (continued)

	Movements during the year											
	At 1 January	Additions	Acquisitions of subsidiaries not involving entities under common control	Reductions	Investment income/(losses) under the equity method	Other comprehensive income	Other changes in equity	Cash dividends declared by investee	Reclassified as other equity instrument investments	Exchange realignments	At 31 December	Provision for impairment losses at 31 December
Associates												
Fujian Makeng Mining Co., Ltd. ("Makeng Mining")	1,368,196,342	-	-	-	269,345,550	-	-	(290,500,000)	-	-	1,347,041,892	-
Tibet Yulong Copper Co., Ltd. ("Yulong Copper")	1,234,460,766	-	-	-	785,336,981	-	-	(660,000,000)	-	-	1,359,797,747	-
Wengfu Zijin Xinjiang Tianlong Mining Co., Ltd. ("Xinjiang Tianlong")	657,973,085	-	-	-	393,362,045	-	-	(117,290,000)	-	-	934,045,130	-
Zijin Tianfeng Futures Co., Ltd. ("Tianfeng Futures")	383,575,461	-	-	-	66,858,947	-	-	(24,662,542)	-	-	425,771,866	-
Fujian Haixia Technology Co., Ltd. ("Haixia Technology")	343,162,387	32,416,897	-	-	9,411,363	-	-	-	-	-	384,990,647	-
Science Environmental Co., Ltd. ("Science")	265,594,276	-	-	-	12,815,683	-	-	(6,440,000)	-	-	271,969,959	-
Hainan International Clearing House Co., Ltd. ("Hainan International Clearing House")	252,658,676	-	-	-	19,007,757	-	-	-	-	-	271,666,433	-
Sino-Zijin Resources Ltd. ("Sino-Zijin")	251,278,668	-	-	(249,000,000)	(1,278,668)	-	-	-	(1,000,000)	-	-	-
Dathcom Mining SA Wancheng Commercial Dongshengmiao Co., Ltd. ("Wancheng Commercial")	231,123,500	-	-	-	3,396,993	-	-	-	-	-	234,520,493	-
Xiamen Modern Terminals Co., Ltd. ("Xiamen Modern Terminals")	213,203,408	-	-	-	-	-	-	-	24,213,937	-	237,417,345	-
	173,701,880	-	-	-	172,439,060	-	-	(178,125,000)	-	-	168,015,940	-
	138,136,722	-	-	-	10,514,352	-	-	(8,750,000)	-	-	139,901,074	-

Notes to Financial Statements (continued)

For the year ended 31 December 2022

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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)

13. Long-term equity investments (continued)

2022 (continued)

	Movements during the year											
	At 1 January	Additions	Acquisitions of subsidiaries not involving entities under common control	Reductions	Investment income/(losses) under the equity method	Other comprehensive income	Other changes in equity	Cash dividends declared by investee	Reclassified as other equity investments	Exchange realignments	At 31 December	Provision for impairment losses at 31 December
Associates (continued)												
Yixing Jiayu Hongde Zhanyi Equity Investment Partnership Enterprise (Limited Partnership) ("Yixing Jiayu")	99,106,496	-	-	-	(1,574,819)	-	-	-	-	-	97,531,677	-
Shanghai Xinyuan Water Supply Co., Ltd. ("Shanghai Xinyuan")	95,731,558	-	-	-	(3,265,845)	-	-	-	-	-	92,465,713	-
Evegreen New Energy	82,021,734	-	-	-	33,905,009	-	-	-	-	-	115,926,743	-
China Gezhouba Group Explosive Co., Ltd. Maizhokunqar Branch ("Explosive Co.")	71,499,473	-	-	(56,942,785)	(14,556,688)	-	-	-	-	-	-	-
Yanbian SMEs Investing and Financing Security Co., Ltd. ("Yanbian Security")	70,059,688	-	-	-	(1,313,238)	-	-	-	-	-	68,746,450	-
Fujian Shanghang Ting River Hydropower Co., Ltd. ("Ting River Hydropower")	67,904,048	-	-	-	1,262,740	-	-	-	-	-	69,166,788	-
Xinjiang Karas Travel Development Co., Ltd. ("Karas Travel")	59,770,470	-	-	-	(14,779,420)	-	-	-	-	-	44,991,050	-
Songpan Zijin Industrial and Commercial Co., Ltd. ("Songpan Zijin")	39,249,785	-	-	(11,360,000)	(892,957)	-	-	-	-	-	26,996,828	-
Fujian Wuping Zijin Hydropower Co., Ltd. ("Wuping Zijin Hydropower")	35,055,425	-	-	-	3,230,190	-	-	-	-	-	38,285,615	-
Mimetal Nonferrous Metals Jiangsu Co., Ltd. ("Mimetal Nonferrous Metals Jiangsu")	9,010,613	-	-	-	56,954	-	-	-	-	-	9,067,567	-
Zisen Supply Chain	7,634,481	-	-	-	5,783,145	-	-	(6,029,496)	-	-	7,388,130	-
Fujian Shanghang Caixi Cultural Media Co., Ltd. ("Caixi Cultural")	2,565,476	-	-	-	171,161	-	-	-	-	-	2,736,637	-

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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)*13. Long-term equity investments *(continued)*2022 *(continued)*

	Movements during the year												
	At 1 January	Additions	Acquisitions of subsidiaries not involving entities under common control	Reductions	Investment income/(losses) under the equity method	Other comprehensive income	Other changes in equity	Cash dividends declared by investee	Reclassified as other equity instrument investments	Exchange realignments	At 31 December	Provision for impairment losses at 31 December	
Associates <i>(continued)</i>													
Longyan International Logistics Co., Ltd. ("Longyan International Logistics")	-	4,900,000	-	-	1,145,582	-	-	-	-	-	6,045,582	-	-
Zhongxin'an (Beijing) Technology Co., Ltd. ("Zhongxin'an")	-	1,000,000	-	-	(360,207)	-	-	-	-	-	639,793	-	-
Hunchun Jindai Mining Co., Ltd. ("Hunchun Jindai")	47,038,703	-	-	-	-	-	-	-	-	-	47,038,703	(47,038,703)	-
Others	-	301,950,956	284,271,401	(13,578,750)	67,842	-	-	-	-	-	572,611,449	-	-
Subtotal	6,199,857,121	12,561,457,600	284,271,401	(330,881,535)	1,851,002,382	-	199,811,400	(1,329,928,666)	(1,000,000)	24,278,926	19,458,868,629	(47,038,703)	-
Total	9,692,845,697	12,660,676,671	301,204,887	(330,881,535)	3,620,540,040	(38,994,447)	199,811,400	(1,329,928,666)	(1,000,000)	357,276,220	25,131,550,267	(64,613,802)	-

Notes to Financial Statements (continued)

For the year ended 31 December 2022

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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)

13. Long-term equity investments (continued)

2021

	Movements during the year										
	At 1 January	Additions	Business combinations not involving entities under common control	Reductions	Investment income/(losses) under the equity method	Other comprehensive income	Other changes in equity	Cash dividends declared by investee	Exchange realignments	At 31 December	Provision for impairment losses at 31 December
Joint ventures											
Gold Eagle Mining	1,333,050,167	-	-	-	(17,779,890)	9,685,755	-	-	(30,276,567)	1,294,679,465	-
Shandong Guoda	180,693,352	-	-	-	14,206,443	-	-	(9,014,700)	-	185,885,095	(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	74,742,531	-	-	-	(112,619)	-	-	-	-	74,629,912	-
Southwest Zijin Gold	21,351,151	-	-	-	(2,101,901)	-	-	-	-	19,249,250	-
Fujian Longhu Fishery	9,620,197	-	-	-	361,512	-	-	-	-	9,981,709	-
Kamoa	1,292,391,641	-	-	-	646,136,449	-	-	-	(37,450,565)	1,901,077,525	-
Pongera Service Company	1,743,867	-	-	-	517,509	-	-	-	-	2,261,376	-
Pometon	5,224,244	-	-	-	-	-	-	-	-	5,224,244	(5,224,244)
Subtotal	3,059,612,686	-	-	(125,000,000)	641,280,529	9,685,755	-	(24,863,262)	(67,727,132)	3,492,988,576	(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)

13. Long-term equity investments (continued)

2021 (continued)

	Movements during the year										
	At 1 January	Additions	Business combinations not involving entities under common control	Reductions	Investment income/(losses) under the equity method	Other comprehensive income	Other changes in equity	Cash dividends declared by investee	Exchange realignments	At 31 December	Provision for impairment losses at 31 December
Associates											
Makeng Mining	996,371,405	-	-	-	413,324,937	-	-	(41,500,000)	-	1,368,196,342	-
Xinjiang Tianlong	360,489,023	-	-	-	28,469,103	-	-	(5,382,665)	-	383,575,461	-
Wengfu Zijin	465,645,362	15,765,500	-	-	215,545,223	-	-	(38,983,000)	-	657,973,085	-
Haxia Technology	256,365,259	-	-	-	15,669,017	-	-	(6,440,000)	-	265,594,276	-
Wancheng Commercial	172,341,607	-	-	-	131,985,273	-	-	(130,625,000)	-	173,701,880	-
Xiamen Modern Terminals	137,755,396	-	-	-	9,131,326	-	-	(8,750,000)	-	138,136,722	-
Yulong Copper	760,722,275	-	-	-	693,738,491	-	-	(220,000,000)	-	1,234,460,766	-
Shanghang Xinyuan	102,143,816	-	-	-	(6,412,258)	-	-	-	-	95,731,558	-
Yanbian Security	70,189,975	-	-	-	(130,287)	-	-	-	-	70,059,688	-
Kanas Travel	64,410,270	-	-	-	(4,639,800)	-	-	-	-	59,770,470	-
Ting River Hydropower	68,822,654	-	-	-	(918,606)	-	-	-	-	67,904,048	-
Songpan Zijin	39,249,785	-	-	-	-	-	-	-	-	39,249,785	-

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)

13. Long-term equity investments (continued)

2021 (continued)

	Movements during the year										Provision for impairment losses at 31 December	
	At 1 January	Additions	Business combinations not involving entities under common control	Reductions	Investment income/(losses) under the equity method	Other comprehensive income	Other changes in equity	Cash dividends declared by investee	Exchange realignments	At 31 December		
Associates (continued)												
Wuping Zijin Hydropower	36,396,737	-	-	-	(621,312)	-	-	(720,000)	-	35,055,425	-	-
Hunchun Jinci	47,038,703	-	-	-	-	-	-	-	-	47,038,703	(47,038,703)	-
Zisen Supply Chain	12,560,771	-	-	-	4,655,144	-	-	(9,581,434)	-	7,634,481	-	-
Science	234,862,425	-	-	-	17,796,251	-	-	-	-	252,658,676	-	-
Evergreen New Energy	28,930,327	30,000,000	-	-	23,091,407	-	-	-	-	82,021,734	-	-
Beijing Anchuang Shenzhen	144,000	-	-	-	-	-	-	-	-	144,000	-	-
Caxi Cultural	3,000,000	-	-	-	(434,524)	-	-	-	-	2,565,476	-	-
Explosive Co.	29,533,750	-	-	-	43,461,333	-	-	(1,495,610)	-	71,499,473	-	-
Sino-Zijin	217,682,489	-	(213,547,517)	-	(4,134,972)	-	-	-	-	-	-	-
Yixing Jiayu	-	100,000,000	-	-	(893,504)	-	-	-	-	99,106,496	-	-
Sinotech	-	-	222,810,400	-	8,313,100	-	-	-	-	231,123,500	-	-
Mimetal Nonferrous Metals Jiangsu	-	9,000,000	-	-	10,613	-	-	-	-	9,010,613	-	-
Hainan International Clearing House	-	250,000,000	-	-	1,278,668	-	-	-	-	251,278,668	-	-
Tianferg Futures	-	345,657,600	-	-	(2,495,213)	-	-	-	-	343,162,387	-	-
Datcom Mining SA	-	213,203,408	-	-	-	-	-	-	-	213,203,408	-	-
Subtotal	4,104,656,029	963,626,508	9,262,883	-	1,585,789,410	-	-	(463,477,709)	-	6,199,857,121	(47,038,703)	-
Total	7,164,268,715	963,626,508	9,262,883	(125,000,000)	2,227,069,939	9,685,755	-	(488,340,971)	(67,727,132)	9,692,845,697	(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)***13. Long-term equity investments** *(continued)*

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

2022

	At 1 January	Additions	Reductions	At 31 December
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

2021

	At 1 January	Additions	Reductions	At 31 December
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

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. Other equity instrument investments

2022

	Cost	Accumulated amount recognised in other comprehensive income	Fair value	Dividend income for the current year	Reasons for designating at fair value through other comprehensive income
		(Note 1)		Equity instruments held	
Non-listed company					
Fujian Shanghang Rural Commercial Bank Company Limited ("Shanghang Rural Commercial Bank")	89,900,000	(1,858,941)	88,041,059	11,592,000	Long-term holding
Sichuan Rongda Gold Co., Ltd. (formerly known as Muli County Rongda Mining Company Limited, "Sichuan Rongda")	74,950,241	70,063,860	145,014,101	-	Long-term holding
Lenghu Bindi Potash Co., Ltd. ("Bindi Potash")	187,106,400	(159,110,561)	27,995,839	-	Long-term holding
Beijing Larkworld Environmental Technology Incorporated Company ("Bailing Larkworld")	76,739,294	41,120,036	117,859,330	-	Long-term holding
Fujian Shanghang Xingcheng Financing Guarantee Company Limited ("Xingcheng Guarantee")	50,000,000	4,003,354	54,003,354	-	Long-term holding
Guizhou Zhenfeng Rural Commercial Bank Company Limited ("Zhenfeng Rural Commercial Bank")	11,074,000	11,825,363	22,899,363	823,200	Long-term holding
Sichuan Liwu Copper Co., Ltd. ("Liwu Copper")	29,725,249	28,625,335	58,350,584	3,557,681	Long-term holding
Nanjing China-Spacenet Satellite Telecom Co., Ltd. ("Nanjing China Net")	25,000,000	(6,676,881)	18,323,119	-	Long-term holding
Xinjiang Wuxin Copper Co., Ltd. ("Wuxin Copper")	6,731,300	(1,267,416)	5,463,884	-	Long-term holding
China Supply Chain Cloud Finance Company Ltd. ("CSCC")	6,500,000	(3,003,621)	3,496,379	-	Long-term holding
Histron Technology (Fujian) Group Co., Ltd. ("Histron")	4,200,000	12,068	4,212,068	-	Long-term holding
Ningbo Maverick Zhongying Equity Investment Partnership Enterprise (Limited Partnership) ("Maverick Zhongying")	21,084,246	-	21,084,246	-	Long-term holding
Gongqingcheng Kaichen Equity Investment Master Fund Partnership Enterprise (Limited Partnership)	10,000,000	-	10,000,000	10,622	Long-term holding
Zhuhai Shanghe Zhengzhi Phase II Investment Partnership Enterprise (Limited Partnership)	30,000,000	-	30,000,000	600,000	Long-term holding
Beijing Eacon Intelligent Driving Technology Co., Ltd.	30,000,000	(25,553,786)	4,446,214	-	Long-term holding
Haian Rubber Group Co., Ltd.	75,000,000	-	75,000,000	4,200,000	Long-term holding
Gongqingcheng Qixin Equity Investment Partnership Enterprise (Limited Partnership)	17,500,000	210,571	17,710,571	-	Long-term holding
Shenzhen Zhengxuan Qianzhanruiyuan Venture Capital Investment Partnership Enterprise (Limited Partnership)	20,000,000	-	20,000,000	-	Long-term holding
Fujian Haisi New Energy Investment Partnership Enterprise (Limited Partnership)	30,000,000	-	30,000,000	-	Long-term holding
Xiamen Duitai Environmental Protection Technology Co., Ltd.	30,000,000	(28,051,211)	1,948,789	-	Long-term holding
Hangzhou Yunchuang Venture Capital Investment Partnership Enterprise (Limited Partnership)	22,343,660	-	22,343,660	-	Long-term holding
Qingdao Huakong Growth Equity Investment Partnership Enterprise (Limited Partnership)	7,000,000	-	7,000,000	-	Long-term holding
Suzhou Chuanliu Changguan New Material Venture Capital Investment Partnership Enterprise (Limited Partnership)	15,000,000	-	15,000,000	-	Long-term holding
Shanghai HyperS Data Technology Inc.	15,719,966	-	15,719,966	-	Long-term holding
Others	31,530,206	(8,864,062)	22,666,144	-	Long-term holding
	917,104,562	(78,525,892)	838,578,670	20,783,503	

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. Other equity instrument investments *(continued)*2022 *(continued)*

	Accumulated amount recognised in other comprehensive income		Fair value	Dividend income for the current year	Reasons for designating at fair value through other comprehensive income
	Cost	(Note 1)		Equity instruments held	
Listed company					
Ivanhoe Mines Ltd. ("Ivanhoe")	2,325,113,244	6,769,584,813	9,094,698,057	-	Strategic investment
Galiano Gold Inc.	90,151,443	(33,568,943)	56,582,500	-	Strategic investment
Lydian International Ltd.	26,987,320	(26,987,320)	-	-	Strategic investment
Chrometco Ltd.	2,502,550	(1,013,946)	1,488,604	-	Strategic investment
Xinjiang Xinjin Mining Industry Company Limited ("Xinjiang Xinjin")	18,314,097	37,085,734	55,399,831	-	Strategic investment
Altamira Gold Corp.	8,870,793	(8,430,588)	440,205	-	Strategic investment
Tianqi Lithium Corporation	696,671,925	(219,479,654)	477,192,271	-	Strategic investment
Xanadu Mines Ltd	28,093,667	(6,878,157)	21,215,510	-	Strategic investment
	3,196,705,039	6,510,311,939	9,707,016,978	-	
	4,113,809,601	6,431,786,047	10,545,595,648	20,783,503	

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. Other equity instrument investments *(continued)*

2021

	Cost	Accumulated amount recognised in other comprehensive income (Note 1)	Fair value	Dividend income for the current year Equity instruments held	Reasons for designating at fair value through other comprehensive income
Non-listed company					
Shanghai Rural Commercial Bank	89,900,000	(14,782,781)	75,117,219	12,316,500	Long-term holding
Sichuan Rongda	74,950,241	45,478,081	120,428,322	14,412,000	Long-term holding
Bindi Potash	187,106,400	(153,422,688)	33,683,712	-	Long-term holding
Bailing Larkworld	76,739,294	20,565,331	97,304,625	-	Long-term holding
Xingcheng Guarantee	50,000,000	10,709,341	60,709,341	-	Long-term holding
Zhenfeng Rural Commercial Bank	11,074,000	9,182,892	20,256,892	926,100	Long-term holding
Liwu Copper	29,725,249	34,236,268	63,961,517	1,200,000	Long-term holding
Nanjing China Net	25,000,000	(5,725,831)	19,274,169	100,000	Long-term holding
Wuxin Copper	6,731,300	250,554	6,981,854	-	Long-term holding
CSCC	6,500,000	(3,060,610)	3,439,390	-	Long-term holding
Histron	4,200,000	5,408,871	9,608,871	-	Long-term holding
Maverick Zhongying	21,084,246	-	21,084,246	-	Long-term holding
Gongqingcheng Kaichen Equity Investment Master Fund Partnership Enterprise (Limited Partnership)	10,000,000	-	10,000,000	-	Long-term holding
Qingdao Huakong Growth Equity Investment Partnership Enterprise (Limited Partnership)	7,000,000	-	7,000,000	-	Long-term holding
Zhuhai Shanghe Zhengzhi Phase II Investment Partnership Enterprise (Limited Partnership)	5,000,000	-	5,000,000	-	Long-term holding
Beijing Eacon Intelligent Driving Technology Co., Ltd.	30,000,000	-	30,000,000	-	Long-term holding
Haian Rubber Group Co., Ltd.	75,000,000	-	75,000,000	1,800,000	Long-term holding
Gongqingcheng Qixin Equity Investment Partnership Enterprise (Limited Partnership)	7,500,000	-	7,500,000	-	Long-term holding
Shenzhen Zhengxuan Qianzhanruiyuan Venture Capital Investment Partnership Enterprise (Limited Partnership)	20,000,000	-	20,000,000	-	Long-term holding
Fujian Haisi New Energy Investment Partnership Enterprise (Limited Partnership)	30,000,000	-	30,000,000	-	Long-term holding
Xiamen Duitai Environmental Protection Technology Co., Ltd.	30,000,000	-	30,000,000	-	Long-term holding
Others	12,932,111	(8,864,063)	4,068,048	-	Long-term holding
	810,442,841	(60,024,635)	750,418,206	30,754,600	
Listed company					
Ivanhoe	2,128,366,065	6,414,778,421	8,543,144,486	-	Strategic investment
Galiano Gold Inc.	82,528,581	(12,879,159)	69,649,422	-	Strategic investment
Lydian International Ltd.	24,705,422	(24,705,422)	-	-	Strategic investment
Chrometco Ltd.	2,451,113	(1,016,315)	1,434,798	-	Strategic investment
Xinjiang Xinxin	18,314,097	32,293,753	50,607,850	-	Strategic investment
Altamira Gold Corp.	8,444,815	(8,053,516)	391,299	-	Strategic investment
	2,264,810,093	6,400,417,762	8,665,227,855	-	
	3,075,252,934	6,340,393,127	9,415,646,061	30,754,600	

Note 1: The cumulative amount recognised in other comprehensive income included changes in fair value and exchange realignments accumulatively recognised in other comprehensive income.

In 2022, the Group did not dispose of any other equity instrument investments (2021: Nil).

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. Other non-current financial assets

	2022	2021
Funds for co-operative business operation project	–	79,300,000
Trust protection fund (Note 1)	62,500,000	62,500,000
	62,500,000	141,800,000
Current portion of other non-current financial assets (Note 1)	(62,500,000)	(79,300,000)
	–	62,500,000

Note 1: The Company accepted trust loans from its subsidiaries in 2020 and 2021. 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. The amounts were charged to held for trading financial assets. Please refer to Note V.2 for details.

16. Investment properties

Buildings subsequently measured under the cost model:

	2022	2021
Cost		
At 1 January	182,679,195	182,829,089
Additions	23,959,726	–
Acquisitions of subsidiaries not involving entities under common control (Note VI.1)	371,316,191	–
Other transfers	(45,076,586)	(149,894)
At 31 December	532,878,526	182,679,195
Accumulated depreciation and amortisation		
At 1 January	65,206,255	58,758,216
Depreciation and amortisation for the year	40,681,980	6,448,039
Transfers from other assets	1,387,399	–
Other transfers	(23,174,057)	–
At 31 December	84,101,577	65,206,255
Impairment provision		
At 1 January	–	–
At 31 December	–	–
Net book value		
At 31 December	448,776,949	117,472,940
At 1 January	117,472,940	124,070,873

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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. Investment properties *(continued)*

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 operating leases.

As at 31 December 2022, there were no investment properties of which certificates of title have not been obtained (31 December 2021: Nil).

17. Fixed assets

2022

	Buildings	Mining assets	Power generation and transmission equipment	Plant, machinery and equipment	Motor vehicles	Furniture and fixtures and others	Total
Cost							
At 1 January 2022	15,593,208,427	41,642,038,018	2,970,357,282	24,590,481,277	3,628,383,495	989,893,085	89,414,361,584
Purchases	408,689,804	2,607,135,239	175,797,361	858,776,681	217,945,668	170,188,145	4,438,532,898
Transfers from construction in progress	3,082,909,368	6,356,445,607	595,307,413	4,479,131,624	410,813,224	44,645,951	14,969,253,187
Acquisitions of subsidiaries not involving entities under common control	2,096,803,608	12,574,298	-	554,938,339	31,265,878	26,460,331	2,722,042,454
Disposals or write-off	(164,766,015)	(169,836,804)	(15,397,300)	(565,133,334)	(319,528,694)	(26,304,179)	(1,260,966,326)
Exchange realignments	687,183,223	1,080,497,884	116,193,165	1,102,607,102	74,709,337	18,901,573	3,080,092,284
At 31 December 2022	21,704,028,415	51,528,854,242	3,842,257,921	31,020,801,689	4,043,588,908	1,223,784,906	113,363,316,081
Accumulated depreciation							
At 1 January 2022	4,515,634,494	12,406,671,048	1,313,141,972	11,399,402,956	1,487,429,913	481,555,281	31,603,835,664
Depreciation for the year	970,559,689	2,412,097,121	225,509,827	2,224,464,984	499,539,813	108,455,042	6,440,626,476
Disposals or write-off	(107,747,719)	(104,874,229)	(13,220,841)	(387,783,839)	(223,064,185)	(21,311,532)	(858,002,345)
Exchange realignments	139,162,649	436,972,091	46,431,683	523,181,169	52,649,267	10,218,529	1,208,615,388
At 31 December 2022	5,517,609,113	15,150,866,031	1,571,862,641	13,759,265,270	1,816,554,808	578,917,320	38,395,075,183
Impairment provision							
At 1 January 2022	648,824,688	1,359,574,328	11,360,423	192,211,467	1,086,709	313,400	2,213,371,015
Impairment provided for the year	-	8,447,091	-	-	-	-	8,447,091
Disposals or write-off	-	-	-	-	-	-	-
Exchange realignments	-	-	-	-	-	-	-
At 31 December 2022	648,824,688	1,368,021,419	11,360,423	192,211,467	1,086,709	313,400	2,221,818,106
Net book value							
At 31 December 2022	15,537,594,614	35,009,966,792	2,259,034,857	17,069,324,952	2,225,947,391	644,554,186	72,746,422,792
At 1 January 2022	10,428,749,245	27,875,792,642	1,645,854,887	12,998,866,854	2,139,866,873	508,024,404	55,597,154,905

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)*17. Fixed assets *(continued)*

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	23,857,714	1,619,963,213	213,646,761	1,317,676,527	387,776,443	230,231,104	3,793,151,762
Transfers from construction in progress	1,741,161,936	6,865,763,535	144,771,868	1,223,271,401	111,109,821	8,329,229	10,094,407,790
Acquisitions of subsidiaries not involving entities under common control	–	–	–	–	–	324,535	324,535
Disposals or write-off	(88,880,108)	(185,027,442)	(16,705,585)	(352,597,642)	(36,141,260)	(16,052,594)	(695,404,631)
Exchange realignments	(144,196,867)	(345,724,566)	(256,770,296)	(363,106,641)	(76,398,696)	(29,310,718)	(1,215,507,784)
At 31 December 2021	15,593,208,427	41,642,038,018	2,970,357,282	24,590,481,277	3,628,383,495	989,893,085	89,414,361,584
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 year	796,083,062	2,080,755,149	248,222,890	1,917,410,864	413,151,904	96,320,307	5,551,944,176
Disposals or write-off	(61,706,468)	(32,850,427)	(7,234,988)	(242,897,839)	(29,948,013)	(13,502,696)	(388,140,431)
Exchange realignments	(31,791,126)	(91,506,813)	(69,195,825)	(170,294,274)	(41,263,375)	(21,057,915)	(425,109,328)
At 31 December 2021	4,515,634,494	12,406,671,048	1,313,141,972	11,399,402,956	1,487,429,913	481,555,281	31,603,835,664
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 year	297,189,689	9,970,365	24,855	43,184,414	–	–	350,369,323
Disposals or write-off	(14,897,635)	(144,063,179)	(345,807)	(4,156,115)	(91,601)	(21,682)	(163,576,019)
Exchange realignments	–	–	–	–	–	–	–
At 31 December 2021	648,824,688	1,359,574,328	11,360,423	192,211,467	1,086,709	313,400	2,213,371,015
Net book value							
At 31 December 2021	10,428,749,245	27,875,792,642	1,645,854,887	12,998,866,854	2,139,866,873	508,024,404	55,597,154,905
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)*

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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. Fixed assets *(continued)*

Fixed assets that are temporarily idle are as follows:

2022

	Cost	Accumulated depreciation	Impairment provision	Net book value
Buildings	823,828,380	(259,378,900)	(553,862,257)	10,587,223
Mining assets	1,532,315,535	(511,276,089)	(955,528,045)	65,511,401
Plant, machinery and equipment	469,108,001	(364,513,507)	(93,084,093)	11,510,401
Motor vehicles	32,516,054	(15,900,323)	(15,175,088)	1,440,643
Power generation and transmission equipment	11,792,457	(10,396,090)	(437,723)	958,644
Furniture and fixtures and others	2,692,365	(1,918,969)	(339)	773,057
	2,872,252,792	(1,163,383,878)	(1,618,087,545)	90,781,369

2021

	Cost	Accumulated depreciation	Impairment provision	Net book value
Buildings	954,664,249	(247,827,637)	(560,545,826)	146,290,786
Mining assets	1,442,165,859	(465,173,308)	(899,605,365)	77,387,186
Plant, machinery and equipment	535,640,874	(366,161,674)	(94,377,125)	75,102,075
Motor vehicles	30,398,987	(15,086,750)	(77,350)	15,234,887
Power generation and transmission equipment	12,213,641	(10,398,648)	(668,779)	1,146,214
Furniture and fixtures and others	2,443,763	(2,355,108)	(339)	88,316
	2,977,527,373	(1,107,003,125)	(1,555,274,784)	315,249,464

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)***17. Fixed assets** *(continued)*

Fixed assets leased out under operating leases are as follows:

2022

	Cost	Accumulated depreciation	Impairment provision	Net book value
Buildings	34,221,404	(18,596,939)	–	15,624,465
Mining assets	15,810,216	(8,638,348)	–	7,171,868
Power generation and transmission equipment	3,730,676	(3,411,457)	–	319,219
Plant, machinery and equipment	5,125,895	(4,680,705)	–	445,190
	58,888,191	(35,327,449)	–	23,560,742

2021

	Cost	Accumulated depreciation	Impairment provision	Net book value
Buildings	34,221,404	(16,976,507)	–	17,244,897
Mining assets	15,810,216	(7,887,363)	–	7,922,853
Power generation and transmission equipment	3,730,676	(3,374,429)	–	356,247
Plant, machinery and equipment	4,981,842	(4,513,601)	–	468,241
	58,744,138	(32,751,900)	–	25,992,238

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)*

17. Fixed assets *(continued)*

Fixed assets of which certificates of title have not been obtained are as follows:

	2022	2021	Reason why certificates of title have not been obtained
	Net book value	Net book value	
Buildings	1,740,809,062	1,137,490,713	In the process of application/the projects were unsettled
Mining assets	624,589,025	130,399,260	In the process of application/the projects were unsettled
	2,365,398,087	1,267,889,973	

As at 31 December 2022, the net book value of the Group's fixed assets with restrictions on title or use was RMB580,304,241 (31 December 2021: RMB891,798,049). Please refer to Note V.70 for details.

18. Construction in progress

	2022	2021
Construction in progress	21,617,160,078	18,464,361,194
Construction materials	249,493,891	83,692,206
	21,866,653,969	18,548,053,400

Construction in progress

2022			2021		
Carrying amount	Impairment provision	Net book value	Carrying amount	Impairment provision	Net book value
22,519,274,994	(902,114,916)	21,617,160,078	19,366,476,110	(902,114,916)	18,464,361,194

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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. Construction in progress (continued)

Construction in progress (continued)

The movements of important construction in progress in 2022 are as follows:

Project name	Budget	At 1 January 2022	Additions	Transferred to fixed assets	Other reductions	At 31 December 2022	Contribution in budget	Progress of projects	Balance of capitalised interest as at 31 December 2022	Including: capitalised interest for the year	Interest rate of capitalisation (%)	Source of funds
Serbia Zijin Copper infrastructure project	13,395,534,852	6,033,363,235	5,465,156,932	(1,995,665,955)	-	9,502,854,212	84%	87%	382,263,398	251,310,515	4.71	Equity fund/Loan
Noront infrastructure project	1,858,923,076	857,682,835	1,520,260,535	(163,003,934)	-	2,214,939,436	83%	91%	4,084,132	53,702,910	0.60	Equity fund/Loan
Lex S.A. infrastructure project	3,860,511,661	-	1,120,935,015	-	-	1,120,935,015	30%	30%	7,502,879	7,502,879	4.71	Loan
Serbia Zijin Mining infrastructure project	1,016,062,075	220,416,085	1,083,848,638	(525,384,745)	-	778,879,998	98%	99%	-	-	Not applicable	Equity fund
Continental Gold infrastructure project	787,020,623	447,819,080	622,718,057	(823,548,650)	-	244,988,487	95%	95%	79,396,421	40,665,546	4.71	Equity fund/Loan
Auoro Gold Mine infrastructure project	1,044,689,745	20,796,390	251,427,095	-	-	272,224,085	30%	28%	1,065,584	1,065,584	4.71	Loan/ Proceeds raised
Zerashan infrastructure project	884,590,000	32,810,651	146,171,426	(131,124,362)	-	47,857,715	25%	39%	-	-	Not applicable	Equity fund
CARRLU infrastructure project	199,102,151	42,724,138	162,913,323	(86,538,946)	-	119,088,515	94%	94%	-	-	Not applicable	Equity fund
Julong Copper infrastructure project	1,373,125,700	7,704,801,340	1,562,722,212	(8,588,853,830)	-	678,689,722	49%	30%	-	90,901,615	2.88	Equity fund/Loan
Duoboshan Copper industry infrastructure project	926,026,090	94,118,322	631,921,121	(139,454,969)	-	586,584,474	69%	62%	3,039,438	1,606,317	3.05	Equity fund/Loan
Shanxi Zijin infrastructure project	1,941,607,500	896,267,977	798,592,400	(1,180,405,620)	-	514,454,757	87%	87%	65,439,501	37,791,249	4.00	Equity fund/Loan
Guizhou Xinherji infrastructure project	605,622,742	403,150,006	34,552,496	-	-	437,703,102	75%	76%	134,373,640	1,835,267	4.00	Equity fund/Loan
Longking intelligent environmental protection product production project	1,031,000,000	-	440,316,364	-	-	440,316,364	73%	73%	-	-	Not applicable	Equity fund/Loan
Fujian Zijin Copper Foli infrastructure project	1,068,810,000	1,329,594	418,855,570	(2,397,611)	-	417,587,553	40%	52%	10,892	10,892	3.00	Equity fund/Loan
Fujian Zijin Lithium Materials infrastructure project	390,410,000	549,397	358,206,845	-	-	358,756,242	79%	83%	614,098	614,098	2.00	Equity fund/Loan
Guizhou Zijin infrastructure project	362,087,500	75,796,473	291,071,197	(34,124,880)	-	332,748,790	94%	90%	7,530,952	7,530,952	4.00	Equity fund/Loan
Zijin Zinc infrastructure project	1,240,990,699	289,233,933	272,046,682	(212,984,276)	-	348,296,329	33%	33%	-	-	Not applicable	Equity fund
Tibet Nigari Lakor infrastructure project	3,261,269,200	-	286,812,406	-	-	286,812,406	9%	5%	932,707	932,707	2.00	Equity fund/Loan
Others	4,604,108,548	2,245,615,464	2,653,517,737	(1,085,565,409)	-	3,813,567,792	Not applicable	Not applicable	6,514,646	12,692,397	Not applicable	Equity fund/Loan
Subtotal	39,861,492,162	19,366,476,110	18,122,052,071	(14,969,253,187)	-	22,510,274,994			692,764,288	508,162,928		
Impairment provision for construction in progress		(902,114,916)				(902,114,916)						
Total		18,464,361,194				21,617,160,078						

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. Construction in progress (continued)

Construction in progress (continued)

The movements of important construction in progress in 2021 are as follows:

Project name	Budget	At 1 January 2021	Additions	Transferred to fixed assets	Other reductions	At 31 December 2021	Contribution in budget	Progress of projects	Balance of capitalised interest as at 31 December 2021	Including: capitalised interest for the year	Interest rate of capitalization (%)	Source of funds
Serbia Zijin Copper infrastructure project	10,746,323,063	2,724,267,749	3,770,927,498	(402,397,614)	(59,434,398)	6,033,363,235	60%	72%	130,952,883	113,868,922	3.70	Equity fund/Loan
Guizhou Zijin infrastructure project	181,583,600	89,431,303	36,020,169	(49,654,999)	-	75,796,473	69%	75%	9,347,244	-	Not applicable	Equity fund
Duobaoshan Copper industry infrastructure project	472,585,592	124,140,813	275,098,288	(305,120,779)	-	94,118,322	84%	89%	41,281,821	2,295,560	4.00	Equity fund/Loan
Guizhou Xinerengji infrastructure project	600,000,000	389,564,472	13,586,134	-	-	403,150,606	68%	80%	125,996,221	-	Not applicable	Equity fund
COMMS infrastructure project	350,663,500	32,818,318	315,364,677	(335,882,346)	(533,396)	11,767,253	98%	98%	-	-	Not applicable	Equity fund
Zijinstan Copper Mine infrastructure project	574,921,154	267,436,393	166,737,494	(200,685,441)	-	233,488,446	71%	65%	-	-	Not applicable	Equity fund
Norton infrastructure project	2,036,015,778	205,947,821	835,463,217	(177,692,702)	(6,635,501)	857,682,835	43%	43%	3,815,154	3,815,154	0.60	Equity fund/Loan
Serbia Zijin Mining infrastructure project	3,022,081,800	892,149,125	1,519,546,129	(2,166,563,841)	(24,715,328)	220,416,085	96%	98%	67,905,815	32,888,109	4.77	Equity fund/Loan/ Proceeds raised
Xinjiang Zijin Non-ferrous infrastructure project	152,843,765	58,212,008	112,869,123	(166,451,553)	-	4,629,578	112%	99%	27,546,026	-	Not applicable	Equity fund
Zijin Zinc infrastructure project	408,816,174	116,709,274	204,346,586	(31,821,937)	-	289,233,923	82%	75%	10,259,524	-	Not applicable	Equity fund
CARRILLU infrastructure project	207,000,000	144,039,912	56,330,812	(154,307,356)	(3,339,230)	42,724,138	94%	94%	6,787,139	-	Not applicable	Equity fund
Tongshan Mining infrastructure project	432,468,828	10,085,582	73,699,058	(3,448,007)	-	80,336,633	19%	25%	-	-	Not applicable	Equity fund/ Proceeds raised
Julong Copper infrastructure project	16,791,000,000	7,489,210,150	4,197,495,964	(3,981,904,774)	-	7,704,801,340	95%	99%	408,619,365	285,614,153	2.88	Equity fund/Loan
Continental Gold infrastructure project	1,161,321,957	722,522,271	386,725,085	(644,698,632)	(16,729,644)	447,819,080	97%	97%	63,794,409	17,226,527	3.77	Equity fund/Loan
Longnan Zijin infrastructure project	479,355,218	58,500,771	50,475,693	(5,232,017)	-	103,651,447	64%	60%	-	-	Not applicable	Equity fund
Shenxi Zijin infrastructure project	1,707,117,020	181,501,295	719,058,612	(4,291,930)	-	896,267,977	58%	58%	27,647,252	24,559,585	5.00	Equity fund/Loan
Others	3,310,753,162	2,171,665,782	1,164,175,232	(1,464,760,862)	(3,851,413)	1,867,228,739	Not applicable	Not applicable	144,887,772	1,147,120	Not applicable	Equity fund/Loan
Subtotal	42,634,850,611	15,678,203,039	13,897,919,771	(10,094,407,790)	(115,238,910)	19,366,476,110			1,088,839,625	481,515,130		
Impairment provision for construction in progress		(768,267,237)				(902,114,916)						
Total		14,909,935,802				18,464,361,194						

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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. Construction in progress *(continued)*

Construction in progress *(continued)*

Impairment provision for construction in progress:

2022

	At 1 January	Additions	Write-off	At 31 December	Reasons for making provision
			during the year		
Luoyang Kunyu infrastructure project	5,005,874	-	-	5,005,874	No expected usable value in the future
Ankang Jinfeng infrastructure project	231,828,532	-	-	231,828,532	No expected usable value in the future
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
	902,114,916	-	-	902,114,916	

2021

	At 1 January	Additions	Write-off	At 31 December	Reasons for making provision
			during the year		
Luoyang Kunyu infrastructure project	5,005,874	-	-	5,005,874	No expected usable value in the future
Ankang Jinfeng infrastructure project	53,637,599	178,190,933	-	231,828,532	No expected usable value in the future
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)	-	The construction in progress of Sichuan Jinkang was disposed of this year
Henan Jinda infrastructure project	43,719,287	-	(43,719,287)	-	The construction in progress of Henan Jinda was disposed of this year
	768,267,237	178,190,933	(44,343,254)	902,114,916	

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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. Construction in progress *(continued)*

Construction materials

	Carrying amount	2022 Impairment provision	Net book value	Carrying amount	2021 Impairment provision	Net book value
Dedicated materials	62,506,019	–	62,506,019	12,086,447	–	12,086,447
Dedicated equipment	188,784,916	(1,797,044)	186,987,872	73,402,803	(1,797,044)	71,605,759
	251,290,935	(1,797,044)	249,493,891	85,489,250	(1,797,044)	83,692,206

19. Right-of-use assets

2022

	Buildings	Power generation and transmission equipment	Plant, machinery and equipment	Motor vehicles	Furniture and fixtures and others	Total
Cost						
At 1 January 2022	58,307,980	260,211,893	99,330,631	34,560,644	7,575,746	459,986,894
Additions	19,902,067	13,735,647	5,498,342	5,999,465	298,153	45,433,674
Acquisitions of subsidiaries not involving entities under common control	8,452,725	–	139,383,361	–	–	147,836,086
Reductions	(1,149,670)	–	(4,461,002)	–	–	(5,610,672)
Exchange realignments	3,805,880	10,335,179	–	–	–	14,141,059
At 31 December 2022	89,318,982	284,282,719	239,751,332	40,560,109	7,873,899	661,787,041
Accumulated depreciation						
At 1 January 2022	21,623,271	112,998,647	71,246,040	31,006,750	6,077,598	242,952,306
Depreciation for the year	19,520,611	36,916,482	17,144,033	9,527,198	866,277	83,974,601
Reductions	(240,699)	–	(1,890,553)	–	–	(2,131,252)
Exchange realignments	1,349,250	3,362,919	–	–	–	4,712,169
At 31 December 2022	42,252,433	153,278,048	86,499,520	40,533,948	6,943,875	329,507,824
Impairment provision						
At 1 January 2022	–	–	–	–	–	–
Impairment provided for the year	–	–	–	–	–	–
At 31 December 2022	–	–	–	–	–	–
Net book value						
At 31 December 2022	47,066,549	131,004,671	153,251,812	26,161	930,024	332,279,217
At 1 January 2022	36,684,709	147,213,246	28,084,591	3,553,894	1,498,148	217,034,588

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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. Right-of-use assets *(continued)*

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	26,823,841	–	33,033,066	–	–	59,856,907
Reductions	(12,742,408)	–	–	(41,106,168)	(304,027)	(54,152,603)
Exchange realignments	(298,363)	(6,123,045)	–	–	–	(6,421,408)
At 31 December 2021	58,307,980	260,211,893	99,330,631	34,560,644	7,575,746	459,986,894
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 year	10,068,709	36,485,303	14,104,326	7,569,138	609,086	68,836,562
Reductions	(11,666,965)	–	–	(35,568,162)	(293,787)	(47,528,914)
Exchange realignments	(219,226)	(584,805)	–	–	–	(804,031)
At 31 December 2021	21,623,271	112,998,647	71,246,040	31,006,750	6,077,598	242,952,306
Impairment provision						
At 1 January 2021	–	–	–	–	–	–
Impairment provided for the year	–	–	–	–	–	–
At 31 December 2021	–	–	–	–	–	–
Net book value						
At 31 December 2021	36,684,709	147,213,246	28,084,591	3,553,894	1,498,148	217,034,588
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 year ended 31 December 2022

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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. Intangible assets

2022

	Exploration and mining rights	Land use rights	Concession rights	Technologies, patents, qualifications, licences and others*	Total
Cost					
At 1 January 2022	51,062,078,847	5,624,494,108	–	442,331,710	57,128,904,665
Purchases	1,622,165,248	698,166,934	371,669,249	667,141,920	3,359,143,351
Acquisitions of subsidiaries not involving entities under common control	15,313,846,935	720,084,329	2,155,800,000	989,647,673	19,179,378,937
Disposals or write-off	–	(7,654,702)	–	(64,000)	(7,718,702)
Exchange realignments	1,558,492,704	32,251,008	–	5,188,603	1,595,932,315
At 31 December 2022	69,556,583,734	7,067,341,677	2,527,469,249	2,104,245,906	81,255,640,566
Accumulated amortisation					
At 1 January 2022	7,306,706,169	814,625,224	–	176,377,164	8,297,708,557
Amortisation provided for the year	2,445,678,755	327,311,524	88,079,912	384,940,594	3,246,010,785
Disposals or write-off	–	(2,222,456)	–	(63,493)	(2,285,949)
Exchange realignments	128,982,774	3,458,511	–	2,009,549	134,450,834
At 31 December 2022	9,881,367,698	1,143,172,803	88,079,912	563,263,814	11,675,884,227
Impairment provision					
At 1 January 2022	1,247,889,867	–	–	51,956,417	1,299,846,284
Disposals or written-off	–	–	–	–	–
At 31 December 2022	1,247,889,867	–	–	51,956,417	1,299,846,284
Net book value					
At 31 December 2022	58,427,326,169	5,924,168,874	2,439,389,337	1,489,025,675	68,279,910,055
At 1 January 2022	42,507,482,811	4,809,868,884	–	213,998,129	47,531,349,824

* Including membership of Shanghai Gold Exchange, patented technologies, power distribution engineering licences, emission permits, software and others.

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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. Intangible assets *(continued)*

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	1,765,555,506	1,776,843,168	101,477,390	3,643,876,064
Disposals or write-off	(152,603,046)	(25,579,947)	(25,370,179)	(203,553,172)
Exchange realignments	(543,080,917)	(7,513,266)	(1,707,254)	(552,301,437)
At 31 December 2021	51,062,078,847	5,624,494,108	442,331,710	57,128,904,665
Accumulated amortisation				
At 1 January 2021	5,322,536,910	628,967,447	125,088,459	6,076,592,816
Amortisation provided for the year	1,994,648,977	190,913,350	51,590,319	2,237,152,646
Disposals or write-off	(3,345,875)	(4,719,631)	–	(8,065,506)
Exchange realignments	(7,133,843)	(535,942)	(301,614)	(7,971,399)
At 31 December 2021	7,306,706,169	814,625,224	176,377,164	8,297,708,557
Impairment provision				
At 1 January 2021	1,326,719,816	–	77,326,596	1,404,046,412
Disposals or written-off (Note 1)	(78,829,949)	–	(25,370,179)	(104,200,128)
At 31 December 2021	1,247,889,867	–	51,956,417	1,299,846,284
Net book value				
At 31 December 2021	42,507,482,811	4,809,868,884	213,998,129	47,531,349,824
At 1 January 2021	43,342,950,578	3,251,776,706	165,516,698	46,760,243,982

Note 1: In 2021, the Group disposed of Sichuan Jinkang Mining Co., Ltd. and Malipo Jinguo Mining Co., Ltd., impairment provisions for intangible assets – exploration rights of RMB39,588,100 and RMB37,170,463 were reversed respectively. The Group wrote off the intangible assets of Longsheng Dexing Mining Co., Ltd., impairment provision for intangible assets of RMB27,441,565 was reversed.

As at 31 December 2022, the Group's intangible assets with a carrying amount of RMB13,367,076,802 (31 December 2021: RMB9,589,144,533) were subject to restrictions on title or use. Please refer to Note V.70 for details.

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)*

20. Intangible assets *(continued)*

Intangible assets of which certificates of title have not been obtained as at 31 December 2022 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.)	727,602,324	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.)	1,174,151,410	In the process of application
Land use rights for Zijin Sanya International Centre (apartment/hotel) project	1,024,515,741	In the process of application
Land use rights of Ashele Copper's tailings pool	75,793,945	In the process of application
Land use rights for new boiler room (5,820 square metres)	30,441,776	In the process of application
Land use rights of land number 6 and 7 in southern Shanghang County and land for hot rolling project	28,039,474	In the process of application
Land block for the new office building of the Company's headquarters and Zijin community, land premium of Zijin security housing on Second Ring Road	15,057,648	In the process of application
Land use rights of Longnan Zijin	14,948,529	In the process of application
Plot A-03 of New Materials Science and Technology Innovation Valley in Baisha Town (91,203 square metres)	11,556,428	In the process of application
Jiaoyang Industrial Zone Circular Economy Park (30,437 square metres)	3,002,811	In the process of application
Plot A-09-02 of Qiqihar Metal New Material Industrial Park (43,151.45 square metres)	7,788,860	In the process of application
Plot A-02-2 of Yangguang Middle School in Qiqihar City	3,235,241	In the process of application
Land use rights of Xikuang Engineering	12,968,723	Newly developed plots, no land certificate has been obtained
Land use rights of Water Environment Technology	68,166,495	Newly developed plots, no land certificate has been obtained

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. Goodwill

2022

	At 1 January	Additions	Reductions	At 31 December
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 Mining Co., Ltd. (“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
Longking	–	386,904,192	–	386,904,192
Taizhou Dechang	–	46,813,515	–	46,813,515
Jiangsu Hongde	–	27,548,354	–	27,548,354
Fujian Newland EnTech Co., Ltd. (“Newland EnTech”)	–	13,407,820	–	13,407,820
	549,409,251	474,673,881	–	1,024,083,132
Provision for impairment of goodwill	(235,259,663)	(71,099,520)	–	(306,359,183)
	314,149,588	403,574,361	–	717,723,949

The Group acquired Longking in May 2022, and formed goodwill of RMB474,673,881. Please refer to Note VI.1 for details

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. Goodwill *(continued)*

2021

	At 1 January	Additions	Reductions	At 31 December
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

The movements of impairment provision for goodwill are as follows:

2022

	At 1 January	Additions	Reductions	At 31 December
		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
Hunchun Zijin	–	71,099,520	–	71,099,520
	235,259,663	71,099,520	–	306,359,183

According to the result of goodwill impairment test, the Group's proposal to recognise impairment losses on goodwill of RMB71,099,520 for this year was considered and approved at the board of directors meeting of the Company held on 24 March 2023.

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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. Goodwill *(continued)*

2021

	At 1 January	Additions	Reductions	At 31 December
		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 different assets and asset groups in the following categories for the impairment test:

- Refining assets
- Mining assets
- Hydropower assets
- Environmental protection assets
- Other assets

Refining assets

Goodwill related to the refining assets 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 carrying amount of goodwill of the refining asset group as at 31 December 2022 was RMB18,871,538 (31 December 2021: 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 18%.

Mining assets

Goodwill related to the mining assets was formed by the acquisitions of Ashele Copper, West Copper, Hunchun Zijin, Yunnan Huaxi, Shanxi Zijin, Xinyi Zijin, Norton and Urad Rear Banner Zijin, which was consistent with the sets of asset groups as determined on the acquisition dates. As at 31 December 2022, the original carrying amount of goodwill of the mining asset group was RMB441,323,501 (31 December 2021: 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 assets

Goodwill related to the hydropower assets was formed by the acquisition of Jinshan Hydropower. As at 31 December 2022, the original carrying amount of the goodwill was RMB79,642,197 (31 December 2021: 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 16%.

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

21. Goodwill *(continued)*

Environmental protection assets

Goodwill related to the environmental protection assets was formed by the acquisitions of Longking, Taizhou Dechang, Jiangsu Hongde and Newland EnTech. As at 31 December 2022, the original carrying amount of the goodwill was RMB474,673,881 (31 December 2021: Nil). The recoverable amount is determined by the present value of the expected future cash flows, based on the cash flow forecasts taking into consideration the past performance and the expectation of market development. The pre-tax discount rate used for the cash flow forecast is 9% to 15%.

Other assets

Goodwill related to the other assets was formed by the acquisitions of Xiamen Investment and Beijing Anchuang. As at 31 December 2022, the carrying amount of the goodwill was RMB9,572,015 (31 December 2021: RMB9,572,015). The pre-tax discount rate used for the cash flow forecast is 17%.

	31 December 2022			31 December 2021		
	Carrying amount of goodwill	Impairment provision	Net book value of goodwill	Carrying amount of goodwill	Impairment provision	Net book value of goodwill
Refining assets	18,871,538	-	18,871,538	18,871,538	-	18,871,538
Mining assets	441,323,501	(306,359,183)	134,964,318	441,323,501	(235,259,663)	206,063,838
Hydropower assets	79,642,197	-	79,642,197	79,642,197	-	79,642,197
Environmental protection assets	474,673,881	-	474,673,881	-	-	-
Other assets	9,572,015	-	9,572,015	9,572,015	-	9,572,015
Total	1,024,083,132	(306,359,183)	717,723,949	549,409,251	(235,259,663)	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 and the expected raise of sales price.

Discount rates The discount rates used are the discount rates before tax which reflect the specific risks of related asset group or sets of asset groups.

The amount allocated to the above asset groups or sets of asset groups is consistent with the historical experience and external information of the Group.

As at 31 December 2022, the Group had made full impairment provisions for goodwill of RMB44,319,632, RMB33,161,050, RMB157,778,981 and RMB71,099,520 for Xinyi Zijin, Yunnan Huaxi and Norton and Hunchun Zijin, 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)*

22. Long-term deferred assets

2022

	At 1 January	Additions	Amortisation	Other reductions	At 31 December
Land compensation costs (Note 1)	202,021,704	5,461,148	(10,511,992)	–	196,970,860
Mine shaft development expenditure	354,346,956	66,670,594	(78,904,127)	–	342,113,423
Amortisation costs of bipolar plates	319,276,283	51,145,789	(36,451,704)	–	333,970,368
Forest compensation expenditure	139,524,103	80,446,936	(58,249,722)	–	161,721,317
Grassland restoration fee	196,250,517	61,641,776	(6,447,307)	–	251,444,986
Relocation compensation	103,461,613	143,426,210	(51,293,302)	–	195,594,521
Others	409,635,083	286,394,512	(115,286,095)	(2,243,746)	578,499,754
	1,724,516,259	695,186,965	(357,144,249)	(2,243,746)	2,060,315,229

2021

	At 1 January	Additions	Amortisation	Other reductions	At 31 December
Land compensation costs (Note 1)	203,203,841	22,529,609	(8,698,532)	(15,013,214)	202,021,704
Mine shaft development expenditure	306,292,264	126,574,787	(73,420,512)	(5,099,583)	354,346,956
Amortisation costs of bipolar plates	321,128,460	34,313,412	(36,165,589)	–	319,276,283
Forest compensation expenditure	95,712,867	74,775,926	(30,437,349)	(527,341)	139,524,103
Grassland restoration fee	–	196,250,517	–	–	196,250,517
Relocation compensation	115,979,087	2,983,884	(15,501,358)	–	103,461,613
Others	259,590,115	321,305,742	(166,682,001)	(4,578,773)	409,635,083
	1,301,906,634	778,733,877	(330,905,341)	(25,218,911)	1,724,516,259

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.

Notes to Financial Statements *(continued)*

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

23. Deferred tax assets/liabilities

Deferred tax assets and deferred tax liabilities before offsetting:

	2022		2021	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Deferred tax assets				
Provision for impairment on assets	1,459,451,121	262,044,718	511,730,533	113,960,262
Unrealised profit arising from intra-group transactions	3,384,238,318	784,157,638	2,698,939,025	644,403,496
Deductible losses (Note 1)	1,977,447,271	500,117,780	1,661,226,750	381,369,237
Differences in depreciation policies	1,039,730,707	172,181,918	1,143,203,170	169,154,778
Changes in the fair value of equity instrument investments not held for trading	176,929,620	33,409,372	116,298,426	17,750,825
Changes in the fair value of held for trading financial assets	116,142,418	21,224,041	45,060,118	10,998,973
Expenses accrued but not yet paid and others	1,213,962,653	281,198,455	950,137,970	234,398,516
	9,367,902,108	2,054,333,922	7,126,595,992	1,572,036,087

Note 1: As at 31 December 2022, 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.

	2022		2021	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Deferred tax liabilities				
Fair value adjustments arising from business combinations not involving entities under common control	28,265,891,356	6,565,144,690	25,726,963,557	5,607,170,168
Changes in the fair value of held for trading financial assets	955,711,597	182,197,397	508,981,052	83,068,755
Changes in the fair value of equity instrument investments not held for trading	141,880,837	39,070,256	107,703,369	26,074,912
Differences in amortisation policies for stripping costs and others	4,662,811,000	1,102,621,623	2,912,559,580	872,243,915
	34,026,294,790	7,889,033,966	29,256,207,558	6,588,557,750

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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. Deferred tax assets/liabilities *(continued)*

Deferred tax assets and liabilities are shown in the net amount after offsetting:

	2022		2021	
	Offset amount	Closing balance after offsetting	Offset amount	Closing balance after offsetting
Deferred tax assets	407,033,412	1,647,300,510	246,393,291	1,325,642,796
Deferred tax liabilities	407,033,412	7,482,000,554	246,393,291	6,342,164,459

Deductible temporary differences and deductible tax losses for which deferred tax assets are not recognised are as follows:

	2022	2021
Deductible temporary differences	4,633,052,482	4,615,828,104
Deductible losses	4,716,821,807	4,555,450,091
	9,349,874,289	9,171,278,195

Deductible losses of unrecognised deferred tax assets will expire in the following years:

	2022	2021
2022	–	238,078,548
2023	383,723,366	414,043,993
2024	453,100,517	490,659,489
2025	1,048,336,014	1,086,495,314
2026	758,142,605	967,150,424
2027	870,484,367	–
2028 and the following years	1,203,034,938	1,359,022,323
	4,716,821,807	4,555,450,091

The accumulated deductible losses of RMB654,618,157 (2021: RMB314,018,240) incurred by the Group's subsidiaries in Hong Kong, South Africa, Australia, Singapore and Russia can be deducted indefinitely; the accumulated deductible losses of RMB3,508,690,356 (2021: RMB3,191,331,254) incurred by the Group's subsidiaries in the PRC, the DR Congo and the Republic of Serbia can be deducted within five consecutive years from the year they were incurred; the accumulated deductible losses incurred by PRC subsidiaries of RMB513,602,501 (2021: RMB435,598,476) 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 Canada amounted to RMB39,753,855 (2021: RMB49,918,220), of which capital losses can be deducted within ten consecutive years from the year they were incurred while non-capital loss can be deducted within twenty consecutive years from the year they were incurred; and the accumulated deductible losses of RMB156,937 (2021: RMB2,311,449) incurred by the Group's subsidiaries in Colombia can be deducted within twelve consecutive years from the year they were incurred.

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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)*

24. Other non-current assets

	2022	2021
Long-term receivables	12,394,601,407	10,059,749,208
Exploration and development costs	2,619,903,613	2,664,703,940
Prepayments for land use rights	2,062,343,572	1,406,598,088
Prepaid investment costs	2,028,548,778	344,983,009
Prepayments for fixed assets and constructions	1,899,382,346	1,458,675,780
VAT credits expected not to be utilised within one year	735,605,809	483,200,183
Inventories expected not to be processed within one year	533,882,040	140,047,394
Contract assets	283,156,982	–
Others	65,662,028	31,462,629
	22,623,086,575	16,589,420,231
Including: Current portion of long-term receivables (Note V.10)	(257,251,200)	(8,923,967)
	22,365,835,375	16,580,496,264

The movements of impairment provision for other non-current assets are as follows:

	At 1 January 2022	Provision	Recovery or reversal	Write-off during the year	At 31 December 2022
Long-term receivables	154,162,146	61,907,364	–	–	216,069,510
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	79,579	–	–	17,596,496
Total	501,373,242	61,986,943	–	–	563,360,185

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)*24. 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:

2022

	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)	
Opening balance	958,631	153,203,515	–	154,162,146
Opening balance during the year				
– Stage transferred	–	–	–	–
Provision during the year	8,654,816	53,252,548	–	61,907,364
Reversal during the year	–	–	–	–
Write-back during the year	–	–	–	–
Write-off during the year	–	–	–	–
Other changes	–	–	–	–
	9,613,447	206,456,063	–	216,069,510

As at 31 December 2022 and 31 December 2021, there were no other non-current assets with restrictions on use.

25. Short-term borrowings

	2022	2021
Unsecured and non-guaranteed loans	14,270,559,655	6,276,267,647
Financing business	–	62,566,127
Gold leasing (Note 1)	5,831,459,100	10,750,488,547
Bills receivable discounted	3,564,296,746	1,139,778,470
	23,666,315,501	18,229,100,791

As at 31 December 2022 and 31 December 2021, the Group had no secured short-term borrowings.

As at 31 December 2022, the interest rates of the above borrowings ranged from 1.20% to 6.05% per annum (31 December 2021: 0.76% to 4.35% per annum).

As at 31 December 2022 and 31 December 2021, 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.

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)*

26. Held for trading financial liabilities

	2022	2021
Provisional pricing contracts	160,985,668	–
Other derivatives (Note 1)	379,517,807	156,812,356
Derivative financial liabilities	540,503,475	156,812,356

Note 1: Details of other derivatives are as follows:

	2022	2021
(1) Derivative financial liabilities without designated hedging relationship	165,417,498	71,469,768
Including: Metal forward contracts	63,493,046	11,531,033
Foreign currency forward contracts	84,472,586	–
Metal futures contracts	11,578,540	34,389,765
Equity swap contracts	–	25,548,970
Over-the-counter options	5,873,326	–
(2) Hedging instruments – Metal forward contracts	214,100,309	85,342,588
	379,517,807	156,812,356

27. Bills payable

	2022	2021
Commercial acceptance bills	4,154,500	–
Bank acceptance bills	1,731,330,347	394,380,588
	1,735,484,847	394,380,588

As at 31 December 2022, there were no bills payable of the Group that were overdue but not yet repaid (31 December 2021: Nil).

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. Trade payables

	2022	2021
Trade payables	11,757,464,637	7,442,318,423

As at 31 December 2022, an ageing analysis of the trade payables, based on the invoice dates, is as follows:

	2022	2021
Within 1 year	10,855,290,726	6,674,598,654
Over 1 year but within 2 years	525,410,347	490,935,570
Over 2 years but within 3 years	103,194,126	126,208,310
Over 3 years	273,569,438	150,575,889
	11,757,464,637	7,442,318,423

As at 31 December 2022, the significant balances of trade payables aged more than one year are as follows:

	Balance	Reason for not being settled
Wenzhou Tongye Construction Engineering Co., Ltd. Sanguikou project site	119,890,147	Construction payments not yet settled
China First Metallurgical Group Co., Ltd.	33,579,179	Construction payments not yet settled
Hangzhou Steam Turbine Engineering Co., Ltd.	28,455,296	Construction payments not yet settled
	181,924,622	

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

29. Receipts in advance

	2022	2021
Lease income receipts in advance	88,648,941	–
	88,648,941	–

30. Contract liabilities

	2022	2021
Advances from sales of goods (Note 1)	7,412,075,704	671,955,151
	7,412,075,704	671,955,151

Note 1: Contract liabilities mainly represented the advances from sales of goods under the sales contracts with the Group's customers, and the durations of the performance obligations were all within one year. The related revenue of the contracts would be recognised after the Group fulfilled its performance obligations. For performance obligations over one year, please refer to Note V.43 Other non-current liabilities.

The material change in the carrying amount of contract liabilities was mainly due to business combinations not involving entities under common control.

31. Employee benefits payable

2022

	At 1 January	Additions	Reductions	At 31 December
Short-term employee benefits	1,422,743,097	8,990,319,490	(8,260,884,480)	2,152,178,107
Post-employment benefit plan (defined contribution plan)	181,752,617	713,886,061	(797,615,534)	98,023,144
Termination benefits	175,672	46,402,350	(45,298,714)	1,279,308
	1,604,671,386	9,750,607,901	(9,103,798,728)	2,251,480,559

2021

	At 1 January	Additions	Reductions	At 31 December
Short-term employee benefits	1,274,701,979	6,636,790,787	(6,488,749,669)	1,422,743,097
Post-employment benefit plan (defined contribution plan)	42,453,599	755,319,535	(616,020,517)	181,752,617
Termination benefits	311,584	10,685,325	(10,821,237)	175,672
	1,317,467,162	7,402,795,647	(7,115,591,423)	1,604,671,386

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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)*31. Employee benefits payable *(continued)*

Short-term employee benefits are as follows:

2022

	At 1 January	Additions	Reductions	At 31 December
Wages or salaries, bonuses, allowances and subsidies	1,024,193,850	7,738,602,621	(7,099,794,147)	1,663,002,324
Staff welfare	239,966,829	564,457,847	(546,356,706)	258,067,970
Social security contributions	6,620,676	210,624,338	(206,749,628)	10,495,386
<i>Including: Medical insurance</i>	4,729,461	158,728,220	(156,647,176)	6,810,505
<i>Work-related injury insurance</i>	1,861,629	44,638,672	(42,881,216)	3,619,085
<i>Maternity insurance</i>	29,586	7,257,446	(7,221,236)	65,796
Housing provident fund	773,699	264,182,294	(263,536,435)	1,419,558
Union running costs and employee education costs	58,883,799	100,829,963	(85,174,934)	74,538,828
Short-term compensated leave	4,391,447	30,891,805	(27,001,987)	8,281,265
Short-term profit-sharing plan (Note 1)	87,912,797	80,730,622	(32,270,643)	136,372,776
	1,422,743,097	8,990,319,490	(8,260,884,480)	2,152,178,107

Note 1: The amount of the short-term profit-sharing plan was determined by remuneration assessment and completion of the Group's performance for the year.

2021

	At 1 January	Additions	Reductions	At 31 December
Wages or salaries, bonuses, allowances and subsidies	911,575,080	5,677,448,620	(5,564,829,850)	1,024,193,850
Staff welfare	233,229,722	444,456,742	(437,719,635)	239,966,829
Social security contributions	6,576,547	151,137,899	(151,093,770)	6,620,676
<i>Including: Medical insurance</i>	4,850,052	112,888,815	(113,009,406)	4,729,461
<i>Work-related injury insurance</i>	1,653,309	33,515,490	(33,307,170)	1,861,629
<i>Maternity insurance</i>	73,186	4,733,594	(4,777,194)	29,586
Housing provident fund	2,579,494	175,137,936	(176,943,731)	773,699
Union running costs and employee education costs	44,604,483	89,699,155	(75,419,839)	58,883,799
Short-term compensated leave	2,575,074	27,959,983	(26,143,610)	4,391,447
Short-term profit-sharing plan	73,561,579	70,950,452	(56,599,234)	87,912,797
	1,274,701,979	6,636,790,787	(6,488,749,669)	1,422,743,097

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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)*

31. Employee benefits payable *(continued)*

Details of the defined contribution plan are as follows:

2022

	At 1 January	Additions	Reductions	At 31 December
Basic pension insurance	41,550,497	663,875,297	(656,742,993)	48,682,801
Unemployment insurance	8,200,207	19,708,195	(26,770,292)	1,138,110
Enterprise annuity payment	132,001,913	30,302,569	(114,102,249)	48,202,233
	181,752,617	713,886,061	(797,615,534)	98,023,144

2021

	At 1 January	Additions	Reductions	At 31 December
Basic pension insurance	35,673,336	498,571,143	(492,693,982)	41,550,497
Unemployment insurance	6,780,263	15,548,622	(14,128,678)	8,200,207
Enterprise annuity payment	–	241,199,770	(109,197,857)	132,001,913
	42,453,599	755,319,535	(616,020,517)	181,752,617

32. Taxes payable

	2022	2021
Corporate income tax	1,902,494,226	2,913,772,398
Value-added tax	339,119,292	312,451,252
Resource compensation fee	120,769,049	120,769,049
Resource tax	475,424,331	449,171,125
Others	306,803,882	244,222,662
	3,144,610,780	4,040,386,486

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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. Other payables

	2022	2021
Dividends payable	312,349,354	333,550,784
Other payables	9,535,361,784	7,280,845,886
	9,847,711,138	7,614,396,670

Dividends payable

	2022	2021
National Council for Social Security Funds	241,146,661	199,449,832
Ministry of Energy and Industry of Tajikistan	33,081,140	6,202,521
Dividends for ordinary shares of Longking	23,293,149	–
Zhejiang DunAn Huizheng Investment Co., Ltd.	8,150,000	–
Mr. Wu	5,000,000	15,000,000
Guizhou Province Geological and Mineral Resources Exploration and Development Bureau Team 105	1,484,548	4,500,000
Funiu Mining Development Centre of Luoning County	180,000	–
Eritrean National Mining Corporation (ENAMCO)	–	86,071,950
Guizhou Province Geology and Mineral Resources Development Co., Ltd.	–	9,000,000
Guizhou Zhenfeng Industrial Investment Co., Ltd.	–	5,000,000
Others	13,856	8,326,481
	312,349,354	333,550,784

Other payables

	2022	2021
Payables for construction work and equipment	4,980,634,792	3,727,340,561
Due to non-controlling shareholders	936,848,103	739,489,863
Subscriptions from employees under restricted A Share incentive scheme	447,029,278	471,845,598
Payables for exploration and mining rights	199,865,524	384,148,791
Deposits	500,478,759	336,706,221
Amounts due to third parties	19,615,333	103,927,959
Deposit taking	237,022,856	248,384,303
Payables for acquisition of equities/debts	254,293,920	181,222,897
Accrued maintenance costs	145,456,216	80,180,275
Withholding individual income tax	4,921,721	52,350,111
Donations payable	18,679,003	39,592,247
Payables for consulting services	57,022,842	65,346,144
Payables for losses on futures contracts	72,779,338	16,498,300
Others	1,660,714,099	833,812,616
	9,535,361,784	7,280,845,886

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)*

33. Other payables *(continued)*

Other payables *(continued)*

As at 31 December 2022, the significant balances of other payables aged more than one year are as follows:

	Reason for not being settled	Balance
Tech-Resources (Hong Kong) Trading Limited ("Tech-Resources (Hong Kong)")	Payables not yet settled	335,521,288
Tongling Nonferrous Metals Group Holding Co., Ltd. ("Tongling Nonferrous Metals")	Payables not yet settled	232,896,479
YCIH Installation Co., Ltd.	Construction payments not yet settled	226,031,731
Finance Office, Department of Natural Resources, Xinjiang Uygur Autonomous Region	Expense of mining rights not yet settled	173,756,400
China Gezhouba Group Municipal Engineering Co., Ltd.	Construction payments not yet settled	93,465,599
Xiamen C&D Inc. ("C&D Inc.")	Payables not yet settled	93,158,592
JCHX Kinsey Mining Construction	Construction payments not yet settled	68,165,094
Taiyuan Heavy Industry Co., Ltd.	Construction payments not yet settled	60,736,241
Tibet Fuhai Construction Engineering Co., Ltd.	Construction payments not yet settled	52,884,642
China Huaye Group Company Limited	Construction payments not yet settled	50,294,301
		1,386,910,367

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)***33. Other payables** *(continued)***Other payables** *(continued)*

As at 31 December 2021, the significant balances of other payables aged more than one year are as follows:

	Reason for not being settled	Balance
Tech-Resources (Hong Kong)	Payables not yet settled	329,188,292
Tongling Nonferrous Metals	Payables not yet settled	222,335,541
YCIH Installation Co., Ltd.	Construction payments not yet settled	171,721,033
C&D Inc.	Payables not yet settled	88,934,217
China Huaye Group Company Limited	Construction payments not yet settled	59,094,301
Canoca Investment Limited	Payables not yet settled	54,786,761
Qinghai Hongxiang Construction Engineering Co., Ltd.	Construction payments not yet settled	38,394,785
JCHX Kinsey Mining Construction	Construction payments not yet settled	38,158,731
China Railway No. 9 Group DR Congo Mining Company	Construction payments not yet settled	30,755,989
Mr. Zhu	Expense of mining rights not yet settled	29,672,233
		1,063,041,883

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. Current portion of non-current liabilities

	2022	2021
Current portion of long-term borrowings (Note V.36)	3,846,599,533	6,243,817,010
Current portion of bonds payable (Note V.37)	2,999,164,386	2,499,246,648
Current portion of bonds interest (Note V.37)	388,411,382	261,315,833
Current portion of lease liabilities (Note V.38)	88,980,058	54,536,526
Current portion of long-term payables (Note V.39)	313,569,937	403,861,722
Current portion of contract liabilities – metals streaming business (Note V.43)	8,580,239	7,572,781
	7,645,305,535	9,470,350,520

35. Other current liabilities

	2022	2021
Ultra short-term financing bonds (Note 1)	2,000,000,000	505,026,849
Provisions (Note 2)	73,821,007	67,104,285
Output VAT to be transferred	244,149,494	100,920,177
Endorsed bills receivable that have not been derecognised and not yet due	759,718,913	5,036,999
Others	2,613,305	–
Total	3,080,302,719	678,088,310

Note 1: In August 2021, the Company received the Notice of Registration Acceptance (Zhong Shi Xie Zhu [2021] DFI No. 26) issued by the National Association of Financial Market Institutional Investors. The association accepted the Company's registration of debt financing instruments. The registration was effective within two 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, perpetual notes, asset-backed notes, green financing instruments and other related products in different tranches to specific investors.

On 17 January 2022, the Company issued ultra short-term financing bonds with a principal amount of RMB500 million and a maturity period of 180 days. The maturity date was 17 July 2022 with an interest rate of 2.39%. On 19 January 2022, the Company issued ultra short-term financing bonds with a principal amount of RMB500 million and a maturity period of 270 days. The maturity date was 17 October 2022 with an interest rate of 2.42%. On 24 February 2022, the Company issued ultra short-term financing bonds with a principal amount of RMB500 million and a maturity period of 180 days. The maturity date was 24 August 2022 with an interest rate of 2.25%. On 2 March 2022, the Company issued ultra short-term financing bonds with a principal amount of RMB500 million and a maturity period of 180 days. The maturity date was 30 August 2022 with an interest rate of 2.20%. On 20 October 2022, the Company issued ultra short-term financing bonds with a principal amount of RMB500 million and a maturity period of 270 days. The maturity date was 18 July 2023 with an interest rate of 1.84%. On 25 October 2022, the Company issued ultra short-term financing bonds with a principal amount of RMB500 million and a maturity period of 270 days. The maturity date was 23 July 2023 with an interest rate of 1.85%. On 2 November 2022, the Company issued ultra short-term financing bonds with a principal amount of RMB500 million and a maturity period of 270 days. The maturity date was 31 July 2023 with an interest rate of 1.91%. On 13 December 2022, the Company issued ultra short-term financing bonds with a principal amount of RMB500 million and a maturity period of 90 days. The maturity date was 14 March 2023 with an interest rate of 2.28%. As at 31 December 2022, the Company issued eight tranches of ultra short-term financing bonds. The first four tranches totalling RMB2 billion matured and were settled, and the fifth to eighth tranche totalling RMB2 billion had not yet matured.

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 Musonoi Global Société par Actions Simplifiée ("COMMUS"), the Group's overseas subsidiary.

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 borrowings

	2022	2021
Secured loans (Note 1)	10,380,206,151	9,171,797,246
Pledged loans (Note 2)	4,531,813,160	3,600,006,442
Gold leasing (Note V.25 Note 1)	1,204,950,000	–
Unsecured and non-guaranteed loans	56,549,208,554	29,598,830,215
	72,666,177,865	42,370,633,903
Including: Current portion of long-term borrowings (Note V.34)	(3,846,599,533)	(6,243,817,010)
	68,819,578,332	36,126,816,893

Note 1: In 2022, Zijin Overseas Investment Co. Ltd., a subsidiary of the Group, used its land for commercial and financial use with an appraised value of RMB576,506,600 as a collateral to secure a long-term loan facility with a limit of RMB350,000,000 and a maturity of 10 years from a bank syndicate (formed by Sanya Rural Commercial Bank Co. Ltd., Ledong Li Autonomous County Rural Credit Cooperative Union, Qionghai Rural Credit Cooperative Union, Hainan Wanning Rural Commercial Bank Co., Ltd. and Haikou Rural Credit Cooperative Union). As at 31 December 2022, the outstanding balance of the above secured loan was RMB23,190,000 and the borrowing rate was 3.90%.

In 2021, Julong Copper, a subsidiary of the Group, 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 rights licence of Rongmucuola and machinery and equipment with appraised values of RMB6,751,000,000, RMB1,007,000,000, RMB1,758,000,000 and RMB606,603,513, respectively as collaterals, and the Group acted as a guarantor, for a long-term borrowing of RMB10,300,000,000 with a maturity of 12 years from a bank syndicate (formed by the Bank of China Tibet Branch, business department of Bank of Tibet, Industrial Bank Lhasa Branch, Industrial and Commercial Bank of China Tibet Branch, Agricultural Bank of China Tibet Branch and China Construction Bank Tibet Branch). As at 31 December 2022, the outstanding balance of the above secured loan was RMB10,268,246,151 and the borrowing rate was 2.65%.

In 2020, Bayannur Zijin, a subsidiary of the Group, used its buildings and machinery and equipment with a total book value of RMB268,425,815 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 31 December 2022, the outstanding balance of the above secured loan was RMB75,000,000 and the borrowing rate was 4.02%.

In 2019, Taizhou Dechang, a subsidiary of the Group, used its lands with an appraised value of RMB49,140,000 and buildings with an appraised value of RMB11,890,000 as collaterals to obtain a long-term borrowing of RMB21,860,000 with a maturity of 5 years from the Bank of China Taizhou Branch. The borrowing rate was 4.15% up to 28 January 2022, the abovementioned borrowing rate has been adjusted to 4.00% since 29 January 2022. As at 31 December 2022, the outstanding balance of abovementioned secured loan was RMB13,770,000 and the borrowing rate was 4.00%.

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 borrowings *(continued)*

Note 2: In 2021, Longking, a subsidiary of the Group, used 95% equity interest in its subsidiary, Taizhou Dechang, as a security to obtain a bank loan of RMB320,000,000 with a maturity of 5 years from the China Merchant Bank Xiamen Branch. As at 31 December 2022, the outstanding balance of the abovementioned pledged loan was RMB256,000,000 and the borrowing rate was 4.4%.

In 2020, Gold Mountains (H.K.), a subsidiary of the Group, used the equity interest in Zijin (America) Gold Mining Company Limited ("Zijin America") as a security to obtain a syndicated loan amounted to USD568,000,000 with a maturity of 6 years from China CITIC Bank Fuzhou Branch and other banks (loan from China CITIC Bank Fuzhou Branch amounted to USD248,000,000, loan from China Minsheng Bank Fuzhou Branch amounted to USD100,000,000, loan from Bank of China Hungarian Branch amounted to USD120,000,000 and loan from China Merchant Bank Hong Kong Branch amounted to USD100,000,000). As at 31 December 2022, the outstanding balance of the above pledged loans was USD511,200,000 (equivalent to RMB3,560,302,651) and the borrowing rate was 3M Libor plus 170bp.

In 2020, Shijiazhuang Covanta, a subsidiary of the Group, pledged the trade receivables under the Zhao County Domestic Waste Incineration Electricity Generation Concession Contract with an appraised value of RMB1,254,120,000 and land use rights of state-owned lands for construction with an appraised value of RMB32,037,500 as a security, and Covanta Energy (China) Investment Co., Ltd. and Longking acted as the guarantors to obtain a long term loan of RMB488,000,000 with a maturity of 15 years from the Agricultural Development Bank of China Zhao County Branch. As at 31 December 2022, the outstanding balance of abovementioned secured/pledged loans was RMB355,510,509 and the borrowing rate was the 5-year LPR on the dates which the loans were obtained.

In 2019, Lingang Energy, a subsidiary of the Group, used its trade receivables with an appraised value of RMB1,565,370,000 as a collateral, and Longking and Dechang Environmental Protection Co., Ltd. (a subsidiary of Longking) provided joint guarantees to obtain a loan of RMB105,000,000 with an annual borrowing rate of 4.29% from the Industrial and Commercial Bank of China Pinghu Branch and a loan of RMB300,000,000 with an annual borrowing rate of 4.4% from the Agricultural Development Bank of China Pinghu Branch. The total amount of the loans obtained was RMB405,000,000, with a maturity of 15 years. As at 31 December 2022, the outstanding balance of the abovementioned pledged loans was RMB360,000,000.

As at 31 December 2022, the interest rates of the above borrowings ranged from 0.55% to 8.45% per annum (31 December 2021: 1.20% to 4.90% per annum).

Maturity analysis of long-term borrowings is as follows:

	2022	2021
Within 1 year or repayable on demand	3,846,599,533	6,243,817,010
Over 1 year but within 2 years	18,992,361,893	8,258,466,565
Over 2 years but within 5 years	33,001,955,975	18,500,210,775
Over 5 years	16,825,260,464	9,368,139,553
	72,666,177,865	42,370,633,903

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)*

37. Bonds payable

	2022	2021
Bonds payable	8,982,669,421	3,991,108,735
Medium-term notes	14,984,951,279	11,790,179,960
Convertible corporate bonds (Note 3)	1,846,714,171	–
Preference shares	1,044,689,738	956,355,139
	26,859,024,609	16,737,643,834
Bonds interest	388,411,382	261,315,833
Dividends on preference shares	10,655,835	9,077,404
	27,258,091,826	17,008,037,071
Including: Current portion of bonds payable (Note V.34)	(2,999,164,386)	(2,499,246,648)
Current portion of bonds interest (Note V.34)	(388,411,382)	(261,315,833)
	23,870,516,058	14,247,474,590

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)

37. Bonds payable (continued)

As at 31 December 2022, the balances of bonds payable were as follows:

Note	Currency	Face value	Issue date	Terms	Issue value of the bonds	At 1 January 2022	Acquisitions of subsidiaries not involving entities under common control	Issued in the current year	Interest accrued for the current year	Amortisation of discount/premium	Exchange gains or losses	Interest paid for the year	Repayment of principal in the year	Amount of principal converted into shares in the year	At 31 December 2022
Note 1	RMB	1,500,000,000	17 October 2022	5 years	1,500,000,000	-	-	1,500,000,000	6,975,000	(1,743,858)	-	-	-	-	1,498,256,142
Note 1	RMB	1,500,000,000	11 October 2022	7 years	1,500,000,000	-	-	1,500,000,000	8,000,000	(2,907,380)	-	-	-	-	1,497,092,620
Note 1	RMB	700,000,000	22 August 2022	10 years	700,000,000	-	-	700,000,000	8,866,667	(2,722,959)	-	-	-	-	697,277,041
Note 2	RMB	3,500,000,000	24 May 2022	5 years	3,500,000,000	-	-	3,500,000,000	60,025,000	(7,792,883)	-	-	-	-	3,492,207,107
Note 1	RMB	2,000,000,000	21 April 2022	5 years	2,000,000,000	-	-	2,000,000,000	42,000,000	(2,101,560)	-	-	-	-	1,997,898,440
Note 2	RMB	1,500,000,000	4 March 2022	5 years	1,500,000,000	-	-	1,500,000,000	40,500,000	(3,230,176)	-	-	-	-	1,496,769,824
	RMB	1,500,000,000	14 September 2021	5 years	1,500,000,000	1,498,283,179	-	-	48,750,000	339,604	-	(48,750,000)	-	-	1,498,622,783
	RMB	2,000,000,000	3 August 2021	5 years	2,000,000,000	1,995,309,394	-	-	62,000,000	947,914	-	(62,000,000)	-	-	1,996,257,308
	RMB	1,500,000,000	3 June 2021	3 years	1,500,000,000	1,496,851,271	-	-	51,900,000	1,227,539	-	(51,900,000)	-	-	1,498,078,810
	RMB	500,000,000	3 June 2021	5 years	500,000,000	498,948,070	-	-	19,350,000	408,302	-	(19,350,000)	-	-	499,356,372
	RMB	300,000,000	27 April 2021	3 years	300,000,000	299,716,540	-	-	11,130,000	118,455	-	(11,130,000)	-	-	299,834,995
Note 1	RMB	2,000,000,000	23 November 2020	3 years	2,000,000,000	1,998,431,709	-	-	84,000,000	802,349	-	(84,000,000)	-	-	1,999,234,058
Note 3	RMB	2,000,000,000	24 March 2020	6 years	2,000,000,000	-	1,839,841,127	-	11,534,549	31,457,044	-	-	-	(24,584,000)	1,846,714,171
	USD														
	(equivalent amount in RMB)														
Note 1	RMB	1,069,740,000	31 March 2020	5 years	1,069,740,000	956,355,139	-	-	54,163,988	-	88,334,599	(53,279,177)	-	-	1,044,689,738
	RMB	1,000,000,000	21 February 2020	3 years	1,000,000,000	999,519,866	-	-	31,000,000	410,462	-	(31,000,000)	-	-	999,930,328
	RMB	1,000,000,000	21 February 2020	5 years	1,000,000,000	998,692,482	-	-	35,100,000	397,141	-	(35,100,000)	-	-	999,089,623
Note 4	RMB	1,000,000,000	8 July 2019	3 years	1,000,000,000	999,352,176	-	-	21,583,333	647,824	-	(37,000,000)	(1,000,000,000)	-	-
	RMB	2,500,000,000	30 August 2019	5 years	2,500,000,000	2,497,209,653	-	-	98,750,000	1,011,771	-	(98,750,000)	-	-	2,498,221,424
Note 5	RMB	1,500,000,000	11 March 2019	3 years	1,500,000,000	1,499,894,472	-	-	9,500,000	105,528	-	(57,000,000)	(1,500,000,000)	-	-
	RMB	1,000,000,000	11 March 2019	5 years	1,000,000,000	999,079,883	-	-	43,000,000	413,942	-	(43,000,000)	-	-	999,493,825
		29,569,740,000			29,569,740,000	16,757,645,834	1,839,841,127	10,700,000,000	748,128,457	17,789,049	88,334,599	(632,259,177)	(2,500,000,000)	(24,584,000)	26,859,024,609

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)

37. Bonds payable (continued)

As at 31 December 2021, the balances of bonds payable were as follows:

Note	Currency	Face value	Issue date	Terms	Issue value of the bonds	At 1 January 2021	Issued in the current year	Interest accrued for the current year	Amortisation of discount/premium	Exchange gains or losses	Interest paid for the year	Repayment of principal in the year	Amount of principal converted into shares in the year	At 31 December 2021
	RMB	300,000,000	27 April 2021	3 years	300,000,000	-	300,000,000	7,420,000	(283,460)	-	-	-	-	299,716,540
	RMB	1,500,000,000	14 September 2021	5 years	1,500,000,000	-	1,500,000,000	12,187,500	(1,716,821)	-	-	-	-	1,498,283,179
	RMB	2,000,000,000	3 August 2021	5 years	2,000,000,000	-	2,000,000,000	20,666,667	(4,690,606)	-	-	-	-	1,995,309,394
	RMB	1,500,000,000	3 June 2021	3 years	1,500,000,000	-	1,500,000,000	25,950,000	(3,148,729)	-	-	-	-	1,496,851,271
	RMB	500,000,000	3 June 2021	5 years	500,000,000	-	500,000,000	9,675,000	(1,051,930)	-	-	-	-	498,948,070
Note 1	RMB	2,000,000,000	23 November 2020	3 years	2,000,000,000	1,997,662,632	-	84,000,000	769,077	-	(84,000,000)	-	-	1,998,431,709
	RMB	6,000,000,000	3 November 2020	5 years	6,000,000,000	5,133,939,580	-	5,028,397	82,432,600	-	(70,938)	(19,432,000)	(5,201,887,639)	-
	USD													
	(equivalent amount in RMB)	1,069,740,000	31 March 2020	5 years	1,069,740,000	978,734,705	-	49,407,429	-	(22,379,566)	(48,774,112)	-	-	956,355,139
Note 1	RMB	1,000,000,000	21 February 2020	3 years	1,000,000,000	999,122,083	-	31,000,000	397,783	-	(31,000,000)	-	-	999,519,866
	RMB	1,000,000,000	21 February 2020	5 years	1,000,000,000	998,309,186	-	35,100,000	383,296	-	(35,100,000)	-	-	998,692,482
Note 4	RMB	2,500,000,000	30 August 2019	5 years	2,500,000,000	2,496,237,433	-	98,750,000	972,220	-	(98,750,000)	-	-	2,497,209,653
	RMB	1,000,000,000	8 July 2019	3 years	1,000,000,000	999,117,653	-	37,000,000	234,523	-	(37,000,000)	-	-	999,352,176
Note 5	RMB	1,500,000,000	11 March 2019	3 years	1,500,000,000	1,499,275,285	-	57,000,000	619,187	-	(57,000,000)	-	-	1,499,894,472
	RMB	1,000,000,000	11 March 2019	5 years	1,000,000,000	998,683,509	-	43,000,000	396,374	-	(43,000,000)	-	-	999,079,883
	USD													
	(equivalent amount in RMB)	2,283,714,311	18 October 2018	3 years	2,283,714,311	2,279,601,619	-	93,421,256	4,018,652	(52,124,946)	(117,867,583)	(2,231,495,325)	-	-
	RMB	1,800,000,000	15 July 2016	5 years	1,800,000,000	43,986,499	-	782,851	14,501	-	(1,342,031)	(44,001,000)	-	-
	RMB	1,200,000,000	15 July 2016	5 years	1,200,000,000	1,199,590,509	-	24,150,000	409,491	-	(41,400,000)	(1,200,000,000)	-	-
	RMB	2,000,000,000	18 March 2016	5 years	2,000,000,000	1,999,715,475	-	16,650,000	284,525	-	(67,400,000)	(2,000,000,000)	-	-
	RMB	3,000,000,000	18 March 2016	5 years	3,000,000,000	302,488,022	-	2,261,412	41,978	-	(9,045,647)	(302,530,000)	-	-
		33,153,454,311			33,153,454,311	21,926,464,190	5,800,000,000	653,650,512	80,082,661	(74,504,512)	(671,750,311)	(5,797,458,325)	(5,201,887,639)	16,737,643,834

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

37. Bonds payable *(continued)*

- Note 1: The Company issued medium-term notes through the Interbank Market Clearing House Co., Ltd. Among which, it 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, the above medium-term notes will mature within one year; 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 above medium-term notes will mature within one year; medium-term notes with a face value of RMB2.0 billion, a maturity of 5 years and an annual interest rate of 3.15% on 21 April 2022; medium-term notes with a face value of RMB0.7 billion, a maturity of 10 years and an annual interest rate of 3.80% on 22 August 2022; medium-term notes with a face value of RMB1.5 billion, a maturity of 7 years and an annual interest rate of 3.20% on 11 October 2022, and medium-term notes with a face value of RMB1.5 billion, a maturity of 5 years and an annual interest rate of 2.79% on 17 October 2022. 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 2: The Company issued corporate bonds through the China Securities Depository and Clearing Corporation Limited. Among which, it issued corporate bonds with a face value of RMB1.5 billion, a maturity of 5 years and an annual interest rate of 3.60% on 4 March 2022; corporate bonds with a face value of RMB3.5 billion, a maturity of 5 years and an annual interest rate of 2.94% on 24 May 2022; The interest payments of the above corporate bonds shall be settled annually and the principals shall be repaid in full upon their maturities.
- Note 3: Pursuant to the approval of the CSRC (Zhengjian Fa Xing Zi [2020] No.113), Longking publicly issued 20 million units of convertible corporate bonds from 24 March 2020 to 30 March 2020 with a face value of RMB100 each. The total issuance amount was RMB2 billion, with a maturity of 6 years. The coupon rates of the convertible corporate bonds issued by Longking were as follows: first year: 0.20%; second year: 0.50%; third year: 1.00%; fourth year: 1.50%; fifth year: 1.80%, sixth year: 2.00%. Interests shall be settled annually, the first interest payment date was 24 March 2021. The conversion period was from the first trading day after six months of the completion of the issuance (30 March 2020) to the maturity of the bonds, i.e., from 30 September 2020 to 23 March 2026. The bondholders could apply for the conversion of the corporate bonds into shares within the conversion period. The initial conversion price at the issuance of the convertible corporate bonds was RMB10.93 per share, and the prevailing conversion price after adjustment was RMB10.55 per share.
- Note 4: The Company issued medium-term notes with a face value of RMB1.0 billion, a maturity of 3 years and an annual interest rate of 3.70% on 8 July 2019 through the Interbank Market Clearing House Co., Ltd. Interest shall be settled annually. The abovementioned 3-year notes matured and were settled in 2022.
- Note 5: 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 through the Interbank Market Clearing House Co., Ltd. Interest shall be settled annually. The abovementioned 3-year notes matured and were settled in 2022.

As at 31 December 2022 and 31 December 2021, the Company had no overdue bonds.

38. Lease liabilities

	2022	2021
Lease liabilities	311,566,307	238,731,681
Including: Current portion of lease liabilities (Note V.34)	(88,980,058)	(54,536,526)
	222,586,249	184,195,155

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)*

39. Long-term payables

	2022	2021
Payables for acquisition of equities/debts	71,981,428	65,894,960
Payables to FMEC (Note 1)	347,193,272	374,530,214
Payables for acquisitions of mining rights	1,305,575,323	915,162,706
Entrusted investments	253,368,781	214,868,782
Loans from related parties (Note X.8)	376,536,878	462,312,000
Resettlement compensations (Note 2)	831,990,595	609,285,452
Loan payables to third party	275,934,797	–
Others	123,664,711	120,974,823
	3,586,245,785	2,763,028,937
Including: Current portion of long-term payables (Note V.34)	(313,569,937)	(403,861,722)
	3,272,675,848	2,359,167,215

* Maturity analysis of long-term payables is as follows:

	2022	2021
Within 1 year or repayable on demand	313,569,937	403,861,722
Over 1 year but within 2 years	153,110,996	115,127,562
Over 2 years but within 5 years	1,139,534,501	408,020,224
Over 5 years	1,980,030,351	1,836,019,429
	3,586,245,785	2,763,028,937

Note 1: On 3 November 2019, Zijin (Europe) International Mining Company Limited (“Zijin Europe”) acquired 72% Class B Shares of CuAu International Holdings (BVI) Ltd. held by FMEC to obtain interests in the Lower Zone of the Timok Copper and Gold Mine and interests in 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 RMB1,528,803,616) and completed registration for the change of equity interest on the same day. The present value of the deferred payment was USD49,851,157 (equivalent to RMB347,193,272) and it was expected that repayment of the amount will begin after five years.

Besides, Nevsun Resources Ltd. (“Nevsun Resources”) acquired a 100% interest in the Upper Zone of the Timok Copper and Gold Mine in 2016 with a consideration of USD107,500,000. On 27 December 2019, after negotiation, both parties agreed that the above cooperation agreement entered into between Nevsun Resources and FMEC would be terminated and the abovementioned outstanding balances shall be settled before 2022, among which, USD45,000,000, USD50,000,000 and USD12,500,000 shall be paid on or before 31 July 2020, 31 December 2021 and 31 March 2022 respectively. As at 31 December 2022, the abovementioned balances were fully settled.

Note 2: In December 2012, Julong Copper entered into the cooperation framework agreement on Qulong Copper and Polymetallic Mine Construction 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 Jiamia Zizirong Village and provided it to Julong Copper for the metal mine construction 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 construction project exceeds 50 years, the existing duration of Julong Copper shall prevail. On 29 December 2016, Julong Copper entered into the Agreement on the Second Phase of Resettlement in Jiamia Zizirong Village with the People’s Government of Maizhokunggar County, which stipulates that Julong Copper will 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 construction project exceeds 50 years, the existing duration of Julong Copper shall prevail. As at 31 December 2022, the present value of such long-term resettlement compensations payable was RMB687,597,069.

As at 31 December 2022, the present value of resettlement compensations payable to local landlords by BNL, the Group’s joint operation, was RMB144,393,526.

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)*

40. Long-term employee benefits payable

	2022	2021
Net liabilities from defined benefit plan	72,193,443	79,059,540

The Group operates a defined benefit plan for all eligible employees in Serbia, which is not funded yet. Under this plan, an employer is obliged to pay an employee retirement gratuity upon retirement in the minimum amount of at least two times the monthly social average salaries per employee in the Republic of Serbia according to the latest data published by the Republic Statistics Office at the time of payment. The employer is also obliged to pay the above retirement gratuity to the employee on the day of retirement. The Group has not established separately administrated funds yet for this plan.

The plan is subject to the impact of interest rate risk, beneficiary's mortality rate before retirement and beneficiary's expected salary level at the time of retirement. As the defined benefit plan is beneficiary's one-off right at the time of retirement, the plan is not subject to the risk of change in beneficiary's life expectancy after the retirement.

As at 31 December 2022, the present value of the defined benefit obligation was determined by KPMG d.o.o. Belgrade, an actuarial company, using the projected unit credit method.

Major actuarial assumptions applied as at the date of the statement of financial position are as follows:

	2022	2021
Discount rate	6.00%	4.50%
Expected growth rate of salary	8.00%	6.00%
Expected turnover rate of employees	0.50%	0.33%

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)***40. Long-term employee benefits payable** *(continued)*

A quantitative sensitivity analysis of significant assumptions applied is set out as follows:

2022

	Increase %	Increase/ (Decrease) in defined benefit obligation	Decrease %	Increase/ (Decrease) in defined benefit obligation
Discount rate	1%	(6,929,271)	1%	8,375,097
Expected growth rate of salary	1%	8,121,986	1%	(6,870,210)
Expected turnover rate of employees	0.5%	(3,868,171)	0.5%	4,235,982

2021

	Increase %	Increase/ (Decrease) in defined benefit obligation	Decrease %	Increase/ (Decrease) in defined benefit obligation
Discount rate	1%	(3,076,740)	1%	3,627,012
Expected growth rate of salary	1%	3,535,038	1%	(3,063,217)
Expected turnover rate of employees	1%	(3,243,702)	1%	3,777,574

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)*

40. Long-term employee benefits payable *(continued)*

The above sensitivity analysis is based on inference of the impact of reasonable changes in key assumptions at the end of the reporting period on the net amount of defined benefit obligation. Sensitivity analysis is based on the change of the material assumption on the premise that other assumptions remain unchanged. As the changes of the assumptions are often correlated, the sensitivity analysis may not represent the actual changes of the defined benefit obligation.

Relevant plans recognised in profit or loss are as follows:

	2022
Current service costs	123,461
Recognised in operating costs	(3,897,628)
Recognised in administrative expenses	(867,781)
Recognised in finance expenses	4,888,870

Movements in the present value of the defined benefit obligation are as follows:

	2022
At 1 January	79,059,540
Amount recognised in profit or loss	
Current service costs	(4,765,409)
Net interests	4,888,870
Amount recognised in other comprehensive income	
Actuarial gains or losses	(5,309,111)
Other movements	
Benefits paid	(4,143,304)
Exchange realignments	2,462,857
At 31 December	72,193,443

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. Provisions

2022

	At 1 January	Additions	Acquisitions of subsidiaries not involving entities under common control	Reductions	At 31 December
Provision for environmental rehabilitation and restoration of mines (Note 1)	3,635,180,816	587,479,613	4,325,155	(500,695,878)	3,726,289,706
Provision for litigations (Note 2)	24,750,900	18,542,371	–	(11,229,028)	32,064,243
Landfill closure fees	–	–	66,985,260	(15,104,576)	51,880,684
Others	36,986,147	9,749,425	20,054,939	–	66,790,511
	3,696,917,863	615,771,409	91,365,354	(527,029,482)	3,877,025,144

2021

	At 1 January	Additions	Reductions	At 31 December
Provision for environmental rehabilitation and restoration of mines (Note 1)	3,389,148,495	727,336,612	(481,304,291)	3,635,180,816
Provision for litigations (Note 2)	100,708,758	–	(75,957,858)	24,750,900
Financial guarantee contract liabilities (Note 3)	588,878,419	–	(588,878,419)	–
Others	–	36,986,147	–	36,986,147
	4,078,735,672	764,322,759	(1,146,140,568)	3,696,917,863

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, such provision will be re-estimated based on the updated plans of rehabilitating mine sites.

Note 2: The Group's overseas subsidiaries, Serbia Zijin Copper and Guyana Goldfields, recognised provisions for litigations.

Note 3: The Group included Julong Copper into the scope of consolidation on 9 July 2020. In prior 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, 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 31 December 2020, the Group recognised a provision of RMB588,878,419 based on the abovementioned exposure at default. On 28 December 2021, Zangge Mining Co., Ltd. publicly issued the Announcement on the Controlling Shareholders and Their Persons Acting In Concert Fulfilled Relevant Guarantee Relief Commitments of Tibet Julong Copper Co., Ltd., which relieved Julong Copper's guarantee for Zangge Mining Co., Ltd. Therefore, the expected credit loss for financial guarantee contract of RMB588,878,419 was reversed during 2021. Please refer to Note V.60. The balance was nil as at 31 December 2022 and 31 December 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.)

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

42. Deferred income

2022

	At 1 January	Additions	Reductions	At 31 December
Government grants	397,491,581	364,812,849	(61,644,044)	700,660,386
Total	397,491,581	364,812,849	(61,644,044)	700,660,386

2021

	At 1 January	Additions	Reductions	At 31 December
Government grants	456,711,967	8,305,173	(67,525,559)	397,491,581

As at 31 December 2022, liabilities related to government grants were as follows:

	At 1 January	Additions	Recognised as other income for the year	Other movements	At 31 December	Related to assets or income
Expenditures for science projects	33,070,183	30,485,845	(7,994,610)	–	55,561,418	Assets
Fund for environmental protection projects	98,829,892	124,173,767	(17,617,088)	–	205,386,571	Assets
Refund of land compensation from government	86,511,176	139,426,753	(3,871,722)	(802,670)	221,263,537	Assets
Comprehensive utilisation of mineral resources	137,841,947	–	(16,911,347)	–	120,930,600	Assets
Other financial subsidies in relation to assets	41,238,383	70,726,484	(23,154,553)	8,707,946	97,518,260	Assets
Total	397,491,581	364,812,849	(69,549,320)	7,905,276	700,660,386	

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)*42. Deferred income *(continued)*

As at 31 December 2021, liabilities related to government grants were as follows:

	At 1 January	Additions	Recognised as other income for the year	Other movements	At 31 December	Related to assets or income
Expenditures for science projects	37,596,815	1,038,200	(5,564,832)	–	33,070,183	Assets
Fund for environmental protection projects	120,953,646	4,250,000	(21,373,754)	(5,000,000)	98,829,892	Assets
Refund of land compensation from government	96,156,667	–	(2,292,460)	(7,353,031)	86,511,176	Assets
Comprehensive utilisation of mineral resources	150,688,354	–	(12,846,407)	–	137,841,947	Assets
Other financial subsidies	51,316,485	3,016,973	(13,095,075)	–	41,238,383	Assets
	456,711,967	8,305,173	(55,172,528)	(12,353,031)	397,491,581	

43. Other non-current liabilities

	2022	2021
Contract liabilities – metals streaming agreement (Note 1)	868,712,071	765,907,635
Contingent consideration (Note 2)	1,232,842,044	1,195,851,967
Total	2,101,554,115	1,961,759,602

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)*

43. Other non-current liabilities *(continued)*

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 equals to 1.84 times of the Gold Delivery Obligation (the “Silver Delivery Obligation”). For each ounce of products 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.

The Group expected the delivery obligations of the metals streaming agreement will be fully performed in 2049.

The movements of contract liabilities – metals streaming agreement from 1 January 2022 to 31 December 2022 are as follows:

	Silver Delivery Obligation
At 1 January	773,480,416
Revenue recognition upon delivery of goods	(13,652,443)
Finance expenses	44,602,178
Exchange realignments	72,862,159
At 31 December	877,292,310
Including: Current portion of contract liabilities (Note V.34)	(8,580,239)
Contract liabilities	868,712,071

The movements of contract liabilities – metals streaming agreement from 1 January 2021 to 31 December 2021 are as follows:

	Silver Delivery Obligation
At 1 January	774,225,185
Revenue recognition upon delivery of goods	(45,029,257)
Finance expenses	62,645,070
Exchange realignments	(18,360,582)
At 31 December	773,480,416
Including: Current portion of contract liabilities (Note V.34)	(7,572,781)
Contract liabilities	765,907,635

Note 2: The Group acquired Julong Copper in 2020. Based on the acquisition agreement, the Group was required to pay all the sellers a certain amount of compensations when Julong Copper obtained the mining permit of Phase 2 of the Qulong Copper and Polymetallic Mine with an extra processing capacity of 150,000 tonnes per day as well as the corresponding construction permits and approval procedures. The fair value of this payment as at 31 December 2022 was RMB1,232,842,044.

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. Share capital

2022

	At 1 January	Movements					At 31 December
		Issuance of new shares	Stock dividend	Conversion of capital reserve into shares	Others	Subtotal	
I. Shares not subject to trading moratorium							
RMB ordinary shares	2,049,468,164	-	-	-	-	-	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	2,623,162,164	-	-	-	-	-	2,623,162,164
II. Shares subject to trading moratorium							
RMB ordinary shares (Note 1)	9,849,060	-	-	-	(80,000)	(80,000)	9,769,060
III. Total share capital	2,633,011,224	-	-	-	(80,000)	(80,000)	2,632,931,224

2021

	At 1 January	Movements					At 31 December
		Issuance of new shares	Stock dividend	Conversion of capital reserve into shares	Others	Subtotal	
I. Shares not subject to trading moratorium							
RMB ordinary shares	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	-	9,849,060	-	-	-	9,849,060	9,849,060
III. Total share capital	2,537,725,995	9,849,060	-	-	85,436,169	95,285,229	2,633,011,224

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. Share capital *(continued)*

Note 1: On 29 December 2020, the Proposal in Relation to the Restricted A Share Incentive Scheme for 2020 (Revised Draft) and Its Summary of the Company, the Proposal in Relation to the Administrative Measures for Implementation of Appraisal for the Restricted A Share Incentive Scheme for 2020 of the Company and the Proposal in Relation to the Authorisation to the Board of Directors to Handle All the Matters Relating to the Restricted A Share Incentive Scheme for 2020 of the Company were considered and approved at the Company's third extraordinary general meeting in 2020 and the third A Shareholders' class meeting in 2020. On 11 January 2021, the abovementioned proposals were considered and approved at the Company's third H Shareholders' class meeting in 2020.

Pursuant to the authorisation to the Board under the Proposal in relation to the Authorisation to the Board of Directors to Handle all the Matters Relating to the Restricted A Share Incentive Scheme for 2020 of the Company which was considered and approved at the Company's third extraordinary general meeting in 2020, the third A Shareholders' class meeting in 2020 and the third H Shareholders' class meeting in 2020, 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. The grant date of the Company's restricted A Shares granted under the incentive scheme was determined to be 13 January 2021. It was proposed that 97,490,000 restricted A Shares shall be granted 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. 95,980,600 restricted A Shares were granted to 686 participants.

On 15 November 2021, the Proposal in Relation to the Grant of Reserved Restricted A Shares to Participants was considered and approved at the Company's eleventh extraordinary meeting in 2021 of the seventh term of the Board and the second extraordinary meeting in 2021 of the seventh term of the Supervisory Committee. The grant date of the Company's restricted A Shares granted under the incentive scheme was determined to be 15 November 2021. It was proposed that 2,510,000 restricted A Shares shall be granted to 39 participants at a grant price of RMB4.83 per A Share. On 8 December 2021, the Company completed the registration of shares at China Securities Depository and Clearing Company Limited Shanghai Branch. 2,510,000 restricted A Shares were granted to 39 participants.

As certain participants of the restricted A Share incentive scheme no longer satisfied the stipulations relating to the participants in the conditions of grant, the Company decided to repurchase and cancel the restricted A Shares granted but not yet unlocked held by the abovementioned participants on 16 November 2021. The cancellation of the restricted A Shares was completed on 17 January 2022 at the China Securities Depository and Clearing Company Limited Shanghai Branch. The total number of restricted A Shares repurchased and cancelled was 800,000.

As at 31 December 2022, the total number of shares subject to trading moratorium issued by the Company was 97,690,600 shares.

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)*

45. Capital reserve

2022

	At 1 January	Additions	Reductions	At 31 December
Share premium (Note 1)	24,964,493,152	–	(3,880,000)	24,960,613,152
Amount of share-based payment recognised in equity (Note 2)	197,201,480	197,019,266	–	394,220,746
Others (Note 3)	43,947,891	199,811,400	(47,087,053)	196,672,238
	25,205,642,523	396,830,666	(50,967,053)	25,551,506,136

2021

	At 1 January	Additions	Reductions	At 31 December
Share premium	18,515,222,263	6,462,320,889	(13,050,000)	24,964,493,152
Amount of share-based payment recognised in equity (Note 2)	–	197,201,480	–	197,201,480
Others	94,861,811	–	(50,913,920)	43,947,891
	18,610,084,074	6,659,522,369	(63,963,920)	25,205,642,523

Note 1: As certain participants of the restricted A Share incentive scheme no longer satisfied the stipulations relating to the participants in the conditions of grant, the Company decided to repurchase and cancel the restricted A Shares granted but not yet unlocked held by the abovementioned participants on 16 November 2021. The cancellation of the restricted A Shares was completed on 17 January 2022 at the China Securities Depository and Clearing Company Limited Shanghai Branch. The total number of restricted A Shares repurchased and cancelled was 800,000, and the share capital and share premium were correspondingly reduced by RMB80,000 and RMB3,880,000, respectively.

Note 2: In 2022, the Company's amortisation of expenses of restricted A Shares increased the capital reserve by RMB197,019,266 (2021: RMB197,201,480).

Note 3: In 2022, the Group acquired the non-controlling interests of Luoyang Zijin Yinhuai Gold Refinery Co., Ltd. ("Zijin Yinhuai"), which decreased the capital reserve by RMB34,904,200; The Group acquired the non-controlling interests of Zijin Finance, which decreased the capital reserve by RMB4,035,400; Longking, a subsidiary of the Group, acquired the non-controlling interests of Fujian Newland EnTech Co., Ltd., which decreased the capital reserve by RMB8,147,453; Zhaojin Mining issued a perpetual capital instruments of RMB999,057,000, the Group recognised the corresponding portion based on its 20% equity interest, which increased the capital reserve by RMB199,811,400.

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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. Treasury shares

2022

	At 1 January	Additions	Reductions	At 31 December
Repurchase obligation for restricted A Shares (Note1)	475,709,598	–	(23,498,120)	452,211,478
Repurchase of A Shares of the Company (Note2)	–	36,327,431	–	36,327,431
Total	475,709,598	36,327,431	(23,498,120)	488,538,909

2021

	At 1 January	Additions	Reductions	At 31 December
Repurchase obligation for restricted A Shares (Note1)	–	486,977,270	(11,267,672)	475,709,598

Note1: In 2021, in accordance with the restricted A Share incentive scheme, the Company recognised the liability for the repurchase obligation of which the amount was determined by the number of restricted A Shares issued and the corresponding repurchase price. Treasury shares amounting to RMB475,709,598 was recognised after deducting the expected future cash dividend for the unlockable restricted shares of RMB11,267,672.

As certain participants of the restricted A Share incentive scheme no longer satisfied the stipulations relating to the participants in the conditions of grant, the Company decided to repurchase and cancel the restricted A Shares granted but not yet unlocked held by the abovementioned participants on 16 November 2021. The cancellation of the restricted A Shares was completed on 17 January 2022 at the China Securities Depository and Clearing Company Limited Shanghai Branch. The total number of restricted A Shares repurchased and cancelled was 800,000, the amount of treasury shares was correspondingly reduced by RMB3,960,000.

Pursuant to the resolution of the shareholders' general meeting on 17 May 2022, the Company distributed a cash dividend of RMB0.20 per share to all eligible shareholders, and the repurchase obligation for restricted A Shares was thereby decreased by RMB19,538,120.

Note2: On 21 October 2022, the proposal in relation to the repurchase plan of the Company's A Shares through centralised price bidding was considered and approved by the board of directors of the Company. It was agreed that the Company shall use its self-owned funds of no less than RMB250 million (RMB250 million inclusive) and no more than RMB500 million (RMB500 million inclusive) to repurchase the A Shares of the Company at a price not more than RMB8.50 per A Share (RMB8.50 per A Share inclusive). The repurchase period shall be no more than 12 months from the date on which the Board of the Company considered and approved the Repurchase Plan. As at 31 December 2022, the Company had accumulatively repurchased 4,550,000 A Shares, representing 0.017% of the Company's total share capital. The highest repurchase price was RMB8.10 per A Share while the lowest repurchase price was RMB7.89 per A Share. The total amount paid was RMB36,327,431.

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)*

47. 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:

2022

	Opening balance	Movements			Closing balance
		Amount before tax	Income tax expenses	Amount after tax	
Changes in fair value of other equity instrument investments and other investments (Note 1)	5,155,748,965	(356,811,417)	2,215,844	(354,595,573)	4,801,153,392
Changes arising from the re-measurement of defined benefit plan	(34,585,795)	3,344,740	–	3,344,740	(31,241,055)
Other comprehensive income that may be reclassified to profit or loss in subsequent periods under the equity method	9,685,755	(38,994,447)	–	(38,994,447)	(29,308,692)
Changes in fair value of receivables financing	(35,451,575)	(1,502,455)	–	(1,502,455)	(36,954,030)
Provision for credit impairment losses on receivables financing	–	4,921,131	–	4,921,131	4,921,131
Hedging costs – forward elements	(20,164,994)	17,601,229	–	17,601,229	(2,563,765)
Exchange differences arising from translation of financial statements denominated in foreign currencies	(2,865,804,033)	3,221,147,483	–	3,221,147,483	355,343,450
	2,209,428,323	2,849,706,264	2,215,844	2,851,922,108	5,061,350,431

2021

	Opening balance	Movements			Closing balance
		Amount before tax	Income tax expenses	Amount after tax	
Changes in fair value of other equity instrument investments and other investments (Note 1)	2,264,341,706	2,899,138,869	(7,731,610)	2,891,407,259	5,155,748,965
Changes arising from the re-measurement of defined benefit plan	–	(34,585,795)	–	(34,585,795)	(34,585,795)
Other comprehensive income that may be reclassified to profit or loss in subsequent periods under the equity method	–	9,685,755	–	9,685,755	9,685,755
Changes in fair value of receivables financing	(15,782,854)	(19,668,721)	–	(19,668,721)	(35,451,575)
Hedging costs – forward elements	1,777,642	(21,942,636)	–	(21,942,636)	(20,164,994)
Exchange differences arising from translation of financial statements denominated in foreign currencies	(1,437,765,795)	(1,428,038,238)	–	(1,428,038,238)	(2,865,804,033)
	812,570,699	1,404,589,234	(7,731,610)	1,396,857,624	2,209,428,323

Note 1: Changes in fair value of other equity instrument investments were mainly due to the fair value change 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)*

47. Other comprehensive income *(continued)*

Total amount of other comprehensive income recognised in the statement of profit or loss during the year:

2022

	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/(loss) that will not be reclassified to profit or loss in subsequent periods						
Changes in fair value of other equity instrument investments and other investments	(357,770,175)	-	-	(1,921,228)	(354,595,573)	(1,253,374)
Changes arising from the re-measurement of defined benefit plan	5,309,111	-	-	-	3,344,740	1,964,371
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods						
Other comprehensive income that may be reclassified to profit and loss in subsequent periods under the equity method	(38,994,447)	-	-	-	(38,994,447)	-
Changes in fair value of receivables financing	(1,502,455)	-	-	-	(1,502,455)	-
Provision for impairment losses on receivables financing	4,921,131	-	-	-	4,921,131	-
Hedging costs – forward elements	12,533,167	-	-	-	17,601,229	(5,068,062)
Exchange differences arising from translation of financial statements denominated in foreign currencies	4,002,898,794	-	-	-	3,221,147,483	781,751,311
	3,627,395,126	-	-	(1,921,228)	2,851,922,108	777,394,246

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)*47. Other comprehensive income *(continued)*Total amount of other comprehensive income recognised in the statement of profit or loss during the year: *(continued)*

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/(loss) that will not be reclassified to profit or loss in subsequent periods						
Changes in fair value of other equity instrument investments and other investments	2,897,179,094	-	-	8,370,771	2,891,407,259	(2,598,936)
Changes arising from the re-measurement of defined benefit plan	(54,898,087)	-	-	-	(34,585,795)	(20,312,292)
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods						
Other comprehensive income that may be reclassified to profit and loss in subsequent periods under the equity method	9,685,755	-	-	-	9,685,755	-
Changes in fair value of receivables financing	(19,668,721)	-	-	-	(19,668,721)	-
Hedging costs – forward elements	(66,489,312)	(54,312,040)	-	-	(21,942,636)	9,765,364
Exchange differences arising from translation of financial statements denominated in foreign currencies	(1,869,623,440)	-	-	-	(1,428,038,238)	(441,585,202)
	896,185,289	(54,312,040)	-	8,370,771	1,396,857,624	(454,731,066)

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)*

48. Special reserve

2022

	At 1 January	Additions	Reductions	At 31 December
Work safety fund	113,281,545	940,080,302	(992,727,804)	60,634,043

2021

	At 1 January	Additions	Reductions	At 31 December
Work safety fund	154,686,505	749,410,028	(790,814,988)	113,281,545

49. Surplus reserve

2022

	At 1 January	Additions	Reductions	At 31 December
Statutory surplus reserve	1,367,003,719	–	–	1,367,003,719

2021

	At 1 January	Additions	Reductions	At 31 December
Statutory surplus reserve	1,319,401,104	47,602,615	–	1,367,003,719

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 capital upon approval.

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. Retained earnings

	2022	2021
At 1 January	39,981,710,325	27,748,404,618
Net profit attributable to owners of the parent	20,042,045,977	15,672,870,591
Less: Interest payable on renewable corporate bonds	–	232,650,000
Appropriation to surplus reserve	–	47,602,615
Dividends payable in cash for ordinary shareholders	5,265,862,448	3,159,312,269
At 31 December	54,757,893,854	39,981,710,325

Pursuant to the resolution of the shareholders' general meeting on 17 May 2022, the Company distributed a cash dividend of RMB0.20 per share (2021: RMB0.12 per share) to all shareholders, calculated on the basis of 26,329,312,240 issued shares (2021: 26,327,602,240 shares), with an aggregate amount of RMB5,265,862,448 (2021: RMB3,159,312,269).

The profit distribution plan for the year ended 31 December 2022 proposed by the Board is as follows: the Company proposes to distribute a final cash dividend of RMB2 per 10 shares (tax included) to its shareholders who are qualified for participating in profit distribution on the record date of profit distribution. The actual amount of cash dividend to be distributed will be determined according to the number of shares on the record date. There will be no conversion of capital reserve into share capital for the year ended 31 December 2022. The profit distribution proposal for the year ended 31 December 2022 is subject to the consideration and approval at the shareholders' general meeting.

51. Operating income and operating costs

	2022		2021	
	Operating income	Operating costs	Operating income	Operating costs
Principal operations	268,083,852,868	225,958,518,291	222,018,103,063	187,492,406,204
Other operations	2,245,145,591	1,825,764,286	3,084,385,529	2,858,715,351
	270,328,998,459	227,784,282,577	225,102,488,592	190,351,121,555

Analysis of operating income is as follows:

	2022	2021
Revenue from contracts with customers	270,237,963,943	225,019,175,841
Revenue not from contracts with customers		
Rental income	91,034,516	83,312,751
	270,328,998,459	225,102,488,592

Notes to Financial Statements (continued)

For the year ended 31 December 2022

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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)

51. Operating income and operating costs (continued)

Disaggregated revenue information for revenue from contracts with customers

2022	Gold bullion	Processed, refined and trading gold	Gold concentrates	Electrolytic copper and electrodeposited copper	Refined copper	Copper concentrates	Other concentrates	Zinc bullion	Environmental protection	Trading	Others	Total
Main business areas												
Mainland China	452,470,229	85,252,993,909	3,201,862,142	-	40,947,319,963	8,184,980,349	3,893,608,898	7,095,170,141	8,118,163,718	43,993,468,339	1,623,750,242	202,763,787,930
Others	9,007,224,231	5,567	5,918,999,362	5,780,298,038	39,049,975	11,995,677,637	3,832,130,491	-	4,113,662	12,017,859,612	18,878,817,438	67,474,176,013
Main types of products	9,459,694,460	85,252,999,476	9,120,861,504	5,780,298,038	40,986,369,938	20,180,657,986	7,725,739,389	7,095,170,141	8,122,277,380	56,011,327,951	20,502,567,680	270,237,963,943
Timing of revenue recognition												
Revenue recognised at a point in time												
Sales of goods	9,459,694,460	85,252,999,476	9,120,861,504	5,780,298,038	40,986,369,938	20,180,657,986	7,725,739,389	7,095,170,141	7,606,560,106	56,011,327,951	20,053,103,171	269,272,782,160
Revenue recognised over time												
Rendering of services	-	-	-	-	-	-	-	-	515,717,274	-	449,464,509	965,181,783
Main types of products	9,459,694,460	85,252,999,476	9,120,861,504	5,780,298,038	40,986,369,938	20,180,657,986	7,725,739,389	7,095,170,141	8,122,277,380	56,011,327,951	20,502,567,680	270,237,963,943
2021												
Main business areas												
Mainland China	899,334,799	88,745,302,220	2,417,667,341	375,505,112	36,692,586,994	3,406,230,111	5,353,976,950	6,442,051,252	-	30,456,351,738	11,616,182,932	186,405,189,449
Others	8,329,961,471	61,022,778	1,132,635,004	7,182,364,575	436,237,105	6,561,240,831	3,177,397,699	-	-	7,511,560,076	4,221,566,853	38,613,986,392
Main types of products	9,229,296,270	88,806,324,998	3,550,302,345	7,557,869,687	37,128,824,099	9,967,470,942	8,531,374,649	6,442,051,252	-	37,967,911,814	15,837,749,785	225,019,175,841
Timing of revenue recognition												
Revenue recognised at a point in time												
Sales of goods	9,229,296,270	88,806,324,998	3,550,302,345	7,557,869,687	37,128,824,099	9,967,470,942	8,531,374,649	6,442,051,252	-	37,967,911,814	15,441,974,227	224,623,400,283
Revenue recognised over time												
Rendering of services	-	-	-	-	-	-	-	-	-	-	395,775,558	395,775,558
Main types of products	9,229,296,270	88,806,324,998	3,550,302,345	7,557,869,687	37,128,824,099	9,967,470,942	8,531,374,649	6,442,051,252	-	37,967,911,814	15,837,749,785	225,019,175,841

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)***51. Operating income and operating costs** *(continued)*

Income recognised in the current year that was included in the balance of contract liabilities at the beginning of the year is as follows:

	2022	2021
Sales of goods	685,607,594	497,725,148

Information about the Group's performance obligations is as follows:

Sales of goods

The performance obligation is satisfied upon delivery of the products. For certain enterprises, payment in advance is normally required. Therein, please refer to Note V.43 for information about the sales arrangements related to metals streaming.

52. Taxes and surcharges

	2022	2021
Resource tax	3,106,232,269	2,469,192,663
Mine-produced gold income tax (Note 1)	174,929,261	185,635,977
Property tax	107,251,977	79,980,239
Road tax (Note 2)	47,000,068	57,032,960
Customs tax (Note 3)	69,146,522	70,175,970
Stamp duty	171,952,555	110,608,022
Education surcharges	122,560,975	116,074,663
City construction and maintenance tax	99,115,090	87,205,395
Mineral concentrates tax (Note 3)	37,492,937	38,953,616
Local development fund	30,667,712	33,120,189
Land use tax	37,361,069	23,956,944
Environmental protection tax	14,193,851	14,845,338
Vehicle and vessel use tax	2,050,613	1,334,072
Others	247,675,268	171,563,850
	4,267,630,167	3,459,679,898

Note 1: Mine-produced gold income tax was the tax payable by the Group's overseas subsidiary, Altynken, for the mining and sales of gold products, the tax is imposed on the revenue ranging at the rates from 1% to 20% depending on the range of gold price.

Note 2: Road tax was the tax payable by the Group's overseas subsidiaries, COMMUS and La Carrière Du Lualaba Société par Actions Simplifiée ("CARRILU"), for the purchase or sale of mineral products.

Note 3: Customs tax and mineral concentrates tax were the taxes payable by the Group's overseas subsidiary, COMMUS, for the purchase or sale 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)*

53. Selling expenses

	2022	2021
Salaries and benefits	198,585,499	96,797,899
Service expenses related to sales	82,646,334	73,654,174
Travelling expenses	44,330,809	5,769,796
Customs charges	38,171,678	25,838,219
Charge of commission sales	31,559,029	36,799,334
Depreciation and amortisation	24,253,483	20,641,274
Consulting service fees	17,483,379	9,756,237
Packing expenses	12,272,267	8,484,699
Inspection (test) fees	11,766,373	7,008,800
Agency fees	9,630,572	43,074,184
Insurance expenses	9,395,122	10,450,938
Material consumption fees	8,341,427	7,376,373
Uploading and unloading expenses	5,748,121	2,099,667
Use and maintenance fees for roads	5,040,000	5,000,000
Storage expenses	3,585,820	4,904,342
Repair fees	1,056,119	8,490,232
Others	116,027,765	46,126,452
	619,893,797	412,272,620

54. Administrative expenses

	2022	2021
Salaries and benefits	3,385,787,130	2,782,773,888
Depreciation and amortisation	642,611,119	674,233,863
Professional consulting expenses	466,110,403	328,147,941
Office expenses	220,145,194	178,782,656
Material consumption fees	200,329,793	162,276,357
Stipulated fees	180,161,749	165,284,209
Exploration expenses	102,572,831	81,555,280
Travelling and conference expenses	169,243,008	119,841,747
Audit fees*	41,169,398	30,005,917
Share-based payment cost	197,019,266	197,201,480
Property insurance premium	81,511,226	64,455,408
Guard and fire protection fees	48,191,340	42,445,251
Rental fees	83,419,197	88,356,446
Others	446,718,566	393,175,836
	6,264,990,220	5,308,536,279

* In the year 2022, the auditor's remuneration of the Company was RMB13,980,000 (2021: RMB12,200,000).

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)*

55. Research and development expenses

	2022	2021
Material consumption fees	490,477,796	277,112,383
Salaries and benefits	418,897,739	202,414,275
Technical development costs	167,135,505	133,921,843
Depreciation and amortisation	65,842,086	66,037,769
Office expenses	58,114,798	35,876,095
Others	31,083,692	55,298,961
	1,231,551,616	770,661,326

56. Finance expenses

	2022	2021
Interest expenses	3,700,157,944	2,403,674,022
<i>Including: Bank borrowings</i>	2,926,680,388	1,783,288,136
<i>Bonds payable</i>	743,406,460	601,106,982
<i>Ultra short-term financing bonds</i>	30,071,096	19,278,904
Less: Interest income	1,348,023,216	754,646,824
Less: Capitalised interest expenses	508,162,928	481,515,130
Exchange differences	(333,692,411)	17,184,054
Bank charges	147,724,232	128,421,291
Amortisation of unrecognised finance expenses (Note 1)	252,822,038	189,794,497
Unearned finance income (Note 2)	(5,831,134)	(6,436,236)
	1,904,994,525	1,496,475,674

Note 1 Unrecognised finance expenses consisted of amortisation of unrecognised interest expenses of provisions of RMB174,245,055 (2021: RMB104,886,471), amortisation of interest expenses of lease liabilities of RMB21,831,606 (2021: RMB22,262,956) and amortisation of unrecognised interest expenses of other non-current liabilities of RMB56,745,377 (2021: RMB62,645,070).

Note 2 Unearned finance income was the amortisation of unrecognised finance income from long-term receivables.

Capitalised interest expenses of 2022 were included in construction in progress. None of the above interest income was generated from impaired financial assets in 2022 and 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.)

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

57. Other income

	2022	2021
Government grants relating to daily operating activities	484,638,917	350,771,492

Government grants relating to daily operating activities in 2022 are as follows:

	2022	Related to assets/income
Alloy gold award	64,415,000	Related to income
Import and export incentives	46,831,441	Related to income
Government comprehensive contribution award	32,080,000	Related to income
Subsidies for employment security	30,963,106	Related to income
Value-add tax incentives	29,589,425	Related to income
Output value breakthrough awards and incremental incentive support funds	20,922,937	Related to income
Subsidies for research and development	19,567,521	Related to income
Repayment of charges for individual/corporate income tax	15,396,039	Related to income
Logistics subsidies for the trading and processing trade of copper	13,524,468	Related to income
Special incentives for "One Enterprise, One Policy"	9,171,400	Related to income
Central Business District award	8,210,800	Related to income
Special subsidies for foreign investment and cooperation	5,833,000	Related to income
New and high technology, science and technology related government awards	5,101,700	Related to income
Special funds for the development of medium, small and micro enterprises	5,091,200	
Government's incentives for new, distinctive, specialised and sophisticated enterprises	3,100,000	Related to income
Subsidies for social security	3,068,696	Related to income
Subsidies for insurance premium for Longking's first piece (set) of crucial high-tech equipment	17,066,712	Related to income
Value-added tax immediately collected and refunded of Longking	16,275,213	Related to income
Value-added tax collected in advance and refunded afterwards of Longking	12,727,398	Related to income
Other government grants directly recognised in other income of Longking	7,886,655	Related to income
Other government grants directly recognised in other income	48,266,888	Related to income
Other government grants transferred from deferred income	69,549,320	Related to assets/income
	484,638,917	

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)***57. Other income** *(continued)*

Government grants relating to daily operating activities in 2021 are as follows:

	2021	Related to assets/income
Tax refund of Continental Gold in the Republic of Colombia	59,950,177	Related to income
Alloy gold award	58,796,607	Related to income
Tax incentives received by Zijin Copper for 2018 and 2019	36,000,000	Related to income
Import and export incentives	29,621,955	Related to income
Subsidies for research and development	28,424,821	Related to income
Industrial development subsidy funds	17,648,900	Related to income
COVID-19-related subsidies on wages for Serbian Zijin Copper	15,272,174	Related to income
Special subsidies for foreign investment and cooperation for 2021	4,470,600	Related to income
Output value breakthrough awards and incremental incentive support funds	4,427,977	Related to income
Incentives for industrial wastewater intensive treatment and comprehensive utilisation of Bayannur Zijin	4,250,000	Related to income
Real estate and land tax rebates	3,274,508	Related to income
Subsidies for employment security	3,029,334	Related to income
Repayment of charges for individual/corporate income tax	2,753,139	Related to income
Subsidies for social security	2,278,579	Related to income
Incentives for "One Enterprise, One Policy" of Fujian Zijin Precious Metals Materials	1,796,400	Related to income
Logistics subsidies for the trading and processing trade of copper	1,506,765	Related to income
Special funds for military-civilian integration	1,087,600	Related to income
Government subsidies for energy-saving technological transformation	1,000,000	Related to income
COVID-19-related government grants	364,022	Related to income
Other government grants directly recognised in other income	19,645,405	Related to income
Other government grants transferred from deferred income	55,172,529	Related to assets
	350,771,492	

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)*

58. Investment income

	2022	2021
Investment income from long-term equity investments under the equity method	3,743,044,810	1,627,111,396
Investment income/(losses) from disposal of long-term equity investments	34,864,096	(3,558,514)
Dividend income from other equity instrument investments during the holding period	20,783,503	30,754,600
Investment (losses)/income from disposal of financial assets and liabilities at fair value through profit or loss (Note 1)	(960,447,256)	11,806,943
Others	35,898,352	25,486,711
	2,874,143,505	1,691,601,136

Note 1: Investment (losses)/income from disposal of financial assets and liabilities at fair value through profit or loss are as follows:

	2022	2021
1. Held for trading equity instrument investments – Investment income arising from stock investments	105,370,395	87,066,096
2. Investment losses arising from gold leasing at fair value	(37,143,362)	(4,586,010)
3. Investment losses arising from derivative instruments without designated hedging relationship	(377,053,459)	(122,944,187)
(3-1) Foreign currency forward contracts	(12,147,351)	337,324,546
(3-2) Commodity hedging contracts	(461,107,881)	(469,010,630)
(3-3) Equity swap contracts	27,955,770	8,741,897
(3-4) Share option contracts	68,246,003	–
4. Settled provisional pricing arrangements	(674,956,128)	–
5. Others	23,335,298	52,271,044
	(960,447,256)	11,806,943

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)*

59. Losses on changes in fair value

	2022	2021
Financial assets at fair value through profit or loss	23,046,703	(62,659,110)
Financial liabilities at fair value through profit or loss	(278,539,170)	(169,204,934)
	(255,492,467)	(231,864,044)

Losses on changes in fair value are as follows:

	2022	2021
1. Held for trading equity instrument investments – Gains arising from changes in fair value of stock investments	138,286,332	46,000,724
2. Gains arising from changes in fair value of gold leasing at fair value	–	19,487,550
3. Hedging instruments – (Losses)/Gains arising from changes in fair value of ineffectively hedged derivative instruments	(293,503)	89,568
4. Losses arising from changes in fair value of derivative instruments without designated hedging relationship	(114,304,091)	(213,350,807)
(4-1) Foreign currency forward contracts	(116,752,513)	(193,369,852)
(4-2) Commodity hedging contracts	(25,901,377)	5,737,181
(4-3) Equity swap contracts	34,223,126	(25,718,136)
(4-4) Over-the-counter options	(5,873,327)	–
5. Provisional pricing arrangements	(160,985,668)	–
6. Others	(118,195,537)	(84,091,079)
	(255,492,467)	(231,864,044)

60. (Credit impairment losses)/Reversal of credit impairment losses

	2022	2021
Bad debt provision for trade receivables	(167,022,563)	(11,800,073)
Bad debt provision/(Reversal of credit impairment losses) for other receivables	(92,358,170)	1,154,829
Impairment losses on other non-current assets	(61,907,364)	(139,576)
Impairment losses on receivable bills	(3,200,690)	–
Impairment losses on receivables financing	(4,921,131)	–
Reversal of impairment losses on financial guarantee contracts	–	588,878,419
	(329,409,918)	578,093,599

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)*

61. Impairment losses on assets

	2022	2021
Impairment losses on goodwill	(71,099,520)	–
Impairment losses on contract assets	(10,747,830)	–
Impairment losses on fixed assets	(8,447,091)	(350,369,323)
Impairment losses on prepayments	(7,433,805)	(10,483,090)
Impairment losses for other non-current assets	(79,579)	–
Reversal of provision/(Provision) for decline in value of inventories	19,096,012	(58,979,086)
Impairment losses on construction in progress	–	(178,190,933)
	(78,711,813)	(598,022,432)

62. Losses on disposal of non-current assets

	2022	2021
Losses on disposal of fixed assets	(8,620,736)	(10,676,200)
Gains on disposal of intangible assets	6,196,755	2,138,150
(Losses)/Gains on disposal of other non-current assets	(2,793,782)	722,250
	(5,217,763)	(7,815,800)

63. Non-operating income

	2022	2021	Non-recurring profit or loss in 2022
Penalty income	29,419,102	26,961,548	29,419,102
Compensations and default penalty	–	1,249,601	–
Others	78,972,504	149,877,108	78,972,504
	108,391,606	178,088,257	108,391,606

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)*

64. Non-operating expenses

	2022	2021	Non-recurring profit or loss in 2022
Losses on write-off of non-current assets	169,702,548	111,742,803	169,702,548
Donations	250,666,967	268,242,826	250,666,967
Penalties, compensations and overdue charges (Note)	606,117,996	47,225,720	606,117,996
Others	34,659,140	43,571,607	34,659,140
	1,061,146,651	470,782,956	1,061,146,651

Note: In April 2022, Urad Rear Banner Zijin, a subsidiary of the Group, was reported to be suspected of illegal mining. The Urad Rear Banner Public Security Bureau investigated the case. On 21 December 2022, Urad Rear Banner Zijin was sued by the Urad Rear Banner People's Procuratorate. On 3 January 2023, Urad Rear Banner Zijin received a criminal verdict from the Urad Rear Banner People's Court. It was confirmed that during the period from August 2013 to the year 2020, Urad Rear Banner Zijin, which owned an exploration licence but not a mining permit at the northern mining section of the Sanguikou Mine, excavated mine roadway and mined ores during the exploration process instead of the mining process. The total value of the ores involved amounted to RMB460.8209 million. Urad Rear Banner Zijin was convicted of illegal mining, and the income from illegal activity of RMB460.8209 million was confiscated, and an additional penalty of RMB15 million was imposed.

65. Proceeds before intended use

The Group recognised the profit or loss from selling items produced before bringing that fixed assets to the intended use:

	2022	2021
Operating income	485,727,611	–
Operating costs	294,143,472	–
	191,584,139	–

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)*

66. Income tax expenses

	2022	2021
Current income tax expenses	5,209,507,100	5,423,183,430
Deferred tax expenses	16,133,750	(229,011,290)
	5,225,640,850	5,194,172,140

Reconciliation of income tax expenses to profit before tax is as follows:

	2022	2021
Profit before tax	29,992,850,973	24,793,810,492
Tax at the statutory tax rate (Note 1)	7,498,212,743	6,198,452,623
Effect of different tax rates applicable to certain subsidiaries (Note 1)	(2,184,628,926)	(791,562,289)
Adjustments in respect of current tax of previous periods	(25,260,633)	17,318,334
Income not subject to tax (Note 2)	(591,592,293)	(462,966,854)
Expenses not deductible for tax	91,383,103	43,454,778
Tax losses utilised from previous periods	(179,462,954)	(43,678,814)
Effect of unrecognised deductible temporary differences and deductible tax losses	616,989,810	233,154,362
Tax charge at the Group's effective tax rate	5,225,640,850	5,194,172,140

Note 1: Provision for the PRC corporate income tax expenses has been made at the applicable tax rates based on the estimated taxable profits. Provision for Hong Kong profits tax expenses has been made at the applicable tax rate based on assessable profits. Taxes on profits assessable elsewhere have been calculated at the prevailing tax rate and in accordance with current laws, interpretations and customs in the countries/jurisdictions in which the Group operates.

Note 2: In 2022, income not subject to tax mainly included investment income from long-term equity investments under the equity method of RMB3,164,231,221 (2021: RMB1,627,111,396) and sales revenue from certain products of the Group that meet the national industrial policy and enjoyed tax exemption totalling RMB73,164,349 (2021: RMB68,047,622).

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. Earnings per share

	2022 RMB per share	2021 RMB per share
Basic earnings per share Continuing operations	0.76	0.60
Diluted earnings per share Continuing operations	0.76	0.60

Basic earnings per share is calculated by dividing the consolidated net profit for the current year attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding.

Pursuant to the "Reply of the Approval for the Public Issuance of A Share Convertible Corporate Bonds of Zijin Mining Group Co., Ltd.*" (Zhengjian Xuke [2020] No. 2613) issued by the CSRC, on 3 November 2020, the Company issued 60,000,000 A Share convertible corporate bonds with a nominal value of RMB100 each.

As at 31 December 2020, the total nominal value of the unconverted A Share convertible corporate bonds of the Company was RMB6,000,000,000. When calculating diluted earnings per share, it is assumed that all of the A Share convertible corporate bonds were converted at the price of RMB7.01 per A Share, hence there were 855,920,114 diluted shares.

As at 25 June 2021, the conversion of the Company's A Share convertible corporate bonds was completed. The total number of shares converted was 854,361,694.

Pursuant to the approvals of the State-owned Assets Supervision and Administration Commission of Longyan City and the Company's shareholders' general meeting, the Company issued restricted A Shares on 13 January 2021 and 15 November 2021, respectively. Please refer to Note XI for details. According to the unlocking conditions of the restricted A Shares and the Company's operating results for the year 2022, in the calculation of diluted earnings per share, the weighted average number of ordinary shares was adjusted and increased by 29,527,236 correspondingly (2021: 7,688,167).

Basic earnings per share is calculated as follows:

	2022	2021
Earnings		
Consolidated net profit attributable to ordinary shareholders of the Company Continuing operations	20,042,045,977	15,672,870,591
Consolidated net profit attributable to ordinary shareholders of the Company after adjustments	20,022,735,857	15,428,798,919
Consolidated net profit attributable to ordinary shareholders of the Company Continuing operations	20,022,735,857	15,428,798,919
Shares		
Weighted average number of ordinary shares outstanding	26,231,621,640	25,811,336,889

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. Earnings per share *(continued)*

Diluted earnings per share is calculated as follows:

	2022	2021
Earnings		
Consolidated net profit attributable to ordinary shareholders of the Company		
Continuing operations	20,042,045,977	15,672,870,591
Consolidated net profit attributable to ordinary shareholders of the Company after adjustments	20,042,045,977	15,440,220,591
Consolidated net profit attributable to ordinary shareholders of the Company		
Continuing operations	20,042,045,977	15,440,220,591
Shares		
Weighted average number of ordinary shares outstanding	26,231,621,640	25,811,336,889
Dilutive effect – weighted average number of ordinary shares		
Restricted A Shares	29,527,236	7,688,167
Adjusted weighted average number of ordinary shares outstanding	26,261,148,876	25,819,025,056

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. Note to the statement of cash flows

	2022	2021
Other cash receipts relating to operating activities		
Interest income	322,227,204	119,149,141
Government grants	470,375,123	303,904,137
Others	321,481,548	238,438,234
	1,114,083,875	661,491,512
Other cash payments relating to operating activities		
Transportation expenses, insurance expenses, commission charges and other selling expenses	(397,054,815)	(294,833,447)
Office expenses, conference expenses and other administrative expenses	(2,498,042,948)	(1,896,592,540)
Donations	(271,580,211)	(298,555,888)
Changes in deposit for futures contracts, gains or losses on the settlement of hedging transactions and others	(3,244,305,016)	(1,147,470,464)
	(6,410,982,990)	(3,637,452,339)
Other cash receipts relating to investing activities		
Recovered cash for time deposits with maturity of over three months	383,532,056	–
Recovered receivables from disposal of equity	14,000,000	14,000,000
Recovered wealth management products	–	230,036,360
	397,532,056	244,036,360
Other cash payments relating to investing activities		
Deposit for bidding investment project	(400,000,000)	–
Large-denomination certificates of deposit with a term of over one year	–	(200,000,000)
Time deposits with maturity of over three months	(1,160,000)	(383,532,056)
Funds for construction and operation of joint venture	–	(973,260,387)
Net cash outflows from disposal of subsidiaries	–	(40,957)
	(401,160,000)	(1,556,833,400)
Other cash receipts relating to financing activities		
Amount from sale and leaseback which does not qualify as a sale	120,000,000	–
Borrowings from third parties	39,894,460	97,243,423
	159,894,460	97,243,423

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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. Note to the statement of cash flows *(continued)*

	2022	2021
Other cash payments relating to financing activities		
Repayment of borrowings from third parties	(266,297,207)	(386,834,748)
Acquisitions of non-controlling interests of subsidiaries	(355,128,161)	(77,212,100)
Payment for lease liabilities	(84,535,842)	(97,102,000)
Payment for repurchase of restricted A Shares	(36,327,431)	–
Bank charges and others	(153,002,432)	(132,285,291)
	(895,291,073)	(693,434,139)

69. 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:

	2022	2021
Net profit	24,767,210,123	19,599,638,352
Add: Provisions for asset impairment and credit impairment losses	408,121,731	19,928,833
Depreciation and amortisation of investment properties	40,681,980	6,448,039
Depreciation of fixed assets	6,440,626,476	5,551,944,176
Depreciation of right-of-use assets	83,974,601	68,836,562
Amortisation of intangible assets	3,246,010,785	2,237,152,646
Amortisation of long-term deferred assets	357,144,249	330,905,341
Losses on the disposal of fixed assets, intangible assets and other non-current assets	5,217,763	7,815,800
Losses on write-off of fixed assets	169,702,548	111,742,803
Losses from changes in fair value	255,492,467	231,864,044
Finance expenses	2,227,221,729	1,615,624,815
Investment income	(3,941,961,511)	(2,160,611,766)
Increase in deferred tax assets	(250,472,347)	(56,500,412)
Increase/(Decrease) in deferred tax liabilities	481,031,301	(172,510,878)
Decrease/(Increase) in inventories	809,152,403	(2,251,621,506)
Decrease in special reserve	(52,647,502)	(41,404,960)
Exploration and development expenses	102,572,831	81,555,280
Increase in receivables from operating activities	(5,693,881,922)	(2,992,270,177)
(Decrease)/Increase in payables from operating activities	(861,127,394)	3,828,868,036
Others	84,432,049	54,832,573
Net cash flows from operating activities	28,678,502,360	26,072,237,601

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)*69. Supplementary information to the statement of cash flows *(continued)*(1) Supplementary information to the statement of cash flows *(continued)*

Significant non-cash financing activities:

	2022	2021
Convertible corporate bonds converted into shares	–	5,201,897,639
Acquisitions of right-of-use assets by assuming lease liabilities	45,433,674	59,856,907

Bills endorsement:

	2022	2021
Bills endorsement of bank acceptance bills and commercial acceptance bills in the sale of goods and rendering of services	2,025,115,139	851,744,446

Net changes in cash and cash equivalents:

	2022	2021
Cash and cash equivalents	20,243,737,052	14,221,780,252
Less: Other monetary funds (Note V.1)	1,232,699,046	484,826,927
Less: Time deposits with maturity of over three months	1,160,000	383,532,055
Closing balance of cash	19,009,878,006	13,353,421,270
Less: Opening balance of cash	13,353,421,270	11,627,709,021
Add: Closing balance of cash equivalents	656,800,532	277,843,939
Less: Opening balance of cash equivalents	277,843,939	158,977,219
Net increase in cash and cash equivalents	6,035,413,329	1,844,578,969

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)*

69. Supplementary information to the statement of cash flows *(continued)*

(2) Information about acquisitions or disposals of subsidiaries and other business units

Information about acquisitions of subsidiaries and other business units

	2022	2021
Consideration for acquisitions of subsidiaries and other business units	14,551,871,027	137,228,677
Less: Contingent consideration payable	204,293,913	–
Cash and cash equivalents paid for acquisitions of subsidiaries and other business units	14,347,577,114	137,228,677
Less: Cash and cash equivalents obtained from acquisitions of subsidiaries and other business units	2,320,511,778	90,939,455
Net cash payments for acquisitions of subsidiaries and other business units	12,027,065,336	46,289,222

Information about disposals of subsidiaries and other business units

	2022	2021
Consideration for disposals of subsidiaries and other business units	–	1
Cash and cash equivalents received from disposals of subsidiaries and other business units	–	1
Less: Cash and cash equivalents held by subsidiaries and other business units disposed of	–	40,958
Net cash outflows from disposals of subsidiaries and other business units	–	(40,957)

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)*69. Supplementary information to the statement of cash flows *(continued)*

(3) Cash and cash equivalents

	2022	2021
Cash	19,009,878,006	13,353,421,270
<i>Including: Cash on hand</i>	34,243,931	13,328,670
<i>Cash at banks that can be readily drawn on demand</i>	18,975,634,075	13,340,092,600
Cash equivalents	656,800,532	277,843,939
Closing balance of cash and cash equivalents at the end of the year	19,666,678,538	13,631,265,209

70. Assets with restrictions on title or use

	2022	2021
Cash and cash equivalents (Note 1)	575,898,514	206,982,988
Debt investments (Note 2)	100,000,000	150,000,000
Fixed assets (Note 3)	580,304,241	891,798,049
Intangible assets (Note 4)	13,367,076,802	9,589,144,533
Long-term equity investments	–	588,071,600
Bills receivable (Note 5)	460,327,160	–
Right-of-use assets (Note 6)	129,945,794	–
Trade receivables (Note 7)	62,652,042	–
Total	15,276,204,553	11,425,997,170

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)*

70. Assets with restrictions on title or use *(continued)*

Note 1: As at 31 December 2022, the balance of cash and cash equivalents of the Group in Renminbi which were subject to restrictions mainly included:

Land restoration and environmental rehabilitation costs of RMB142,488,327 (31 December 2021: RMB80,935,443). Pursuant to the rules of the local government, the Group accrued 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; RMB46,112,617 (31 December 2021: RMB75,226,884) is the foreign exchange deposit reserve placed with the People's Bank of China by Zijin Finance of the Group; other guarantee deposits of RMB365,179,720 (31 December 2021: RMB50,810,365), which were restricted to use; and the bank deposits of RMB22,117,850 (31 December 2021: RMB10,296) were frozen due to litigation.

Note 2: As at 31 December 2022, Shanghang Zijin Metallic Resources Co., Ltd., a subsidiary of the Group, pledged RMB100,000,000 (31 December 2021: RMB100,000,000) of debt investments to the Agricultural Bank of China for bank acceptance bills. As at 31 December 2022, there was no debt investments pledged to the Bank of China for bank acceptance bills. (31 December 2021: RMB50,000,000)

Note 3: As at 31 December 2022, Julong Copper, a subsidiary of the Group, provided certain fixed assets (a batch of machinery and transportation equipment) as collaterals for a syndicated loan (the lending banks include: the Bank of China Tibet Autonomous Region Branch, Bank of Tibet Co., Ltd., Industrial Bank Lhasa Branch, Industrial and Commercial Bank of China Tibet Autonomous Region Branch, Agricultural Bank of China Tibet Autonomous Region Branch, Construction Bank of China Tibet Autonomous Branch), with appraised value and carrying amount of RMB606,603,513 and RMB262,433,211, respectively; Bayannur Zijin, a subsidiary of the Group, provided certain fixed assets (a batch of buildings, machinery equipment) with a carrying amount of RMB268,425,816 (31 December 2021: RMB285,194,536) as collaterals for a bank loan for comprehensive utilisation of leaching slag resources from the marmatite hydrometallurgy and the harmless treatment technology project; Taizhou Dechang, a subsidiary of the Group, provided certain fixed assets as collaterals for bank loans, collaterals for vehicle financing and assets under sales and leasebacks which do not qualify as sales with restrictions on use for financing. The total carrying amount of such assets was RMB49,445,214 (31 December 2021: Nil).

Note 4: As at 31 December 2022, Julong Copper, a subsidiary of the Group, provided intangible assets (including the mining right permits of Qulong and Zhibula and exploration right licence of Rongmucuola) as collaterals for a syndicated loan (the lending banks include: the Bank of China Tibet Autonomous Region Branch, Bank of Tibet Co., Ltd., Industrial Bank Lhasa Branch, Industrial and Commercial Bank of China Tibet Autonomous Region Branch, Agricultural Bank of China Tibet Autonomous Region Branch, China Construction Bank Tibet Autonomous Branch), the total carrying amount of which was RMB12,719,782,451; the intangible assets (land use rights of the iron smelting plant) with a carrying amount of RMB71,443,497 (31 December 2021: RMB73,144,533) 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; Zijin Overseas Investment Co., Ltd., a subsidiary of the Group, provided intangible assets (land for commercial and financial use of 14.2 thousand square metres) with a carrying amount of RMB533,102,126 (31 December 2021: Nil) as collaterals for a syndicated loan (the banks providing the loan included Sanya Rural Commercial Bank, Ledong Li Autonomous County Rural Credit Cooperative Union, Qionghai Rural Credit Cooperative Union, Union, Hainan Wanning Rural Commercial Bank and Haikou Rural Credit Cooperative Union). Taizhou Dechang and Shijiazhuang Covanta, subsidiaries of the Group, provided intangible assets with a total carrying amount of RMB42,748,728 as collaterals (31 December 2021: Nil).

Note 5: As at 31 December 2022, bills receivable were bank acceptance bills with smaller single denomination and endorsed commercial acceptance bills which were not expired as at the end of the reporting period with a total carrying amount of RMB460,327,160 (31 December 2021: Nil) issued by Longking, a subsidiary of the Group.

Note 6: As at 31 December 2022, the right-of-use assets were sale and leaseback assets with restrictions on use with a total carrying amount of RMB129,945,794 (31 December 2021: Nil) of Jinan Longking, a subsidiary of the Group.

Note 7: As at 31 December 2022, Pinghu Lingang, Shijiazhuang Covanta and Zijin New Energy, subsidiaries of the Group, pledged their trade receivables with a total carrying amount of RMB62,652,042 (31 December 2021: Nil) to banks for borrowings.

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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)*

71. Foreign currency monetary items

	2022			2021		
	Original currency	Exchange rate	Equivalent to RMB	Original currency	Exchange rate	Equivalent to RMB
Cash and cash equivalents						
HKD	139,819,473	0.8933	124,896,541	28,632,073	0.8176	23,409,583
USD	1,149,458,673	6.9646	8,005,519,874	1,000,446,248	6.3757	6,378,545,143
GBP	218,303	8.3941	1,832,457	1,058	8.6064	9,106
CAD	7,621,799	5.1385	39,164,614	11,373,449	5.0046	56,919,563
AUD	47,880,119	4.7138	225,697,305	140,568,099	4.6220	649,705,754
RUB	105,266,141	0.0942	9,916,070	215,033,319	0.0855	18,385,349
EUR	1,056,574	7.4229	7,842,843	986,162	7.2197	7,119,794
Others	Not applicable	Not applicable	416,208,292	Not applicable	Not applicable	250,939,135
Trade receivables						
AUD	11,686,181	4.7138	55,086,320	11,838,445	4.6220	54,717,293
USD	373,342,609	6.9646	2,600,181,935	252,577,273	6.3757	1,610,356,919
Serbian dinar ("RSD")	1,407,612,359	0.0630	88,679,579	–	0.0616	–
Others	Not applicable	Not applicable	21,240,270	Not applicable	Not applicable	12,402,169
Other receivables						
USD	73,518,084	6.9646	512,024,048	61,175,506	6.3757	390,036,674
AUD	3,381,636	4.7138	15,940,356	25,168,365	4.6220	116,328,183
CAD	–	5.1385	–	112,693	5.0046	563,983
RSD	591,031,280	0.0630	37,234,971	–	0.0616	–
Others	Not applicable	Not applicable	19,552,625	Not applicable	Not applicable	5,625,374
Other non-current assets						
USD	1,678,792,925	6.9646	11,692,121,205	1,612,183,757	6.3757	10,278,799,980
AUD	–	–	–	343,361,829	4.6220	1,587,018,374
CAD	–	–	–	63,351,749	5.0046	317,050,163
HKD	20,563,162	0.8933	18,368,456	–	0.8176	–
Total foreign currency monetary assets			23,891,507,761			21,757,932,539

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)*

71. Foreign currency monetary items *(continued)*

	2022			2021		
	Original currency	Exchange rate	Equivalent to RMB	Original currency	Exchange rate	Equivalent to RMB
Short-term borrowings						
USD	1,419,979,688	6.9646	9,889,590,535	882,090,557	6.3757	5,623,944,764
AUD	166,999,986	4.7138	787,204,534	–	4.6220	–
Trade payables						
USD	140,732,262	6.9646	980,143,912	466,308,849	6.3757	2,973,045,329
AUD	–	4.7138	–	21,156,972	4.6220	97,787,525
RSD	2,647,727,980	0.0630	166,806,863	–	0.0616	–
Others	Not applicable	Not applicable	2,868,851	Not applicable	Not applicable	53,174,019
Other payables						
USD	100,430,559	6.9646	699,458,671	171,410,710	6.3757	1,092,863,264
AUD	69,477,882	4.7138	327,504,840	41,729,672	4.6220	192,874,544
CAD	3,576,213	5.1385	18,376,371	3,160,199	5.0046	15,815,532
RSD	7,267,700,024	0.0630	457,865,102	–	0.0616	–
Others	Not applicable	Not applicable	2,938	Not applicable	Not applicable	241,481,301
Current portion of non-current liabilities						
USD	366,472,596	6.9646	2,552,335,042	741,599,600	6.3757	4,728,216,570
Long-term borrowings						
USD	3,515,107,037	6.9646	24,481,314,470	2,866,941,684	6.3757	18,278,760,095
AUD	245,299,964	4.7138	1,156,294,970	–	4.6220	–
Long-term payables						
USD	228,773,371	6.9646	1,593,315,020	38,591,799	6.3757	246,049,733
AUD	979,942	4.7138	4,619,251	–	4.6220	–
Lease liabilities						
USD	19,443,609	6.9646	135,416,959	12,515,694	6.3757	79,796,310
Bonds payable						
USD	150,000,000	6.9646	1,044,690,000	150,000,000	6.3757	956,355,000
Total foreign currency monetary liabilities			44,297,808,329			34,580,163,986

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)*71. Foreign currency monetary items *(continued)*

Information about foreign business entities

Name of foreign business entity	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
Río Blanco Copper S.A.	Peru	USD	Major sales, purchase, financing and other business activities in USD
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
Liex S.A.	Argentina	USD	Major sales, purchase, financing and other business activities in USD

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)*

72. Hedging

Fair value hedges

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. Through qualitative analysis, the Group determines the ratio of the number of silver, copper and zinc hedging instruments to the hedged items to be 1:1.13 (including value-added tax impact), and the ratio of the number of gold hedging instruments to the hedged items to be 1:1. Ineffective portion of hedges mainly sources from exchange rate difference between spot and forward. The ineffective amount of hedges recognised in this year and prior year was immaterial. The Group uses fair value hedges for this kind of hedges.

As at 31 December 2022 and 31 December 2021, the Group did not enter into any foreign currency forward contracts designated in a hedge accounting relationship.

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)***72. Hedging** *(continued)***Fair value hedges** *(continued)*

The temporal distribution of the notional amount of the hedging instruments and the average price are as follows:

2022

	Less than 6 months	6 to 12 months	Over 1 year	Total
Notional amount of gold futures	20,455,950	–	–	20,455,950
Average price of gold futures – RMB/gramme	409	–	–	409
Notional amount of silver futures	65,211,303	–	–	65,211,303
Average price of silver futures – RMB/kilogramme	4,605	–	–	4,605
Notional amount of copper futures	2,513,777,199	–	–	2,513,777,199
Average price of copper futures – RMB/tonne	65,617	–	–	65,617
Notional amount of zinc futures	51,809,025	–	–	51,809,025
Average price of zinc futures – RMB/tonne	24,671	–	–	24,671
Notional amount of gold forward	249,645,713	89,619,314	–	339,265,027
Average price of gold forward – RMB/gramme	383	395	–	386
Notional amount of silver forward	556,695,768	–	–	556,695,768
Average price of silver forward – RMB/kilogramme	5,538	–	–	5,538
Notional amount of copper forward	1,640,654,335	–	–	1,640,654,335
Average price of copper forward – RMB/tonne	57,806	–	–	57,806
Notional amount of zinc forward	209,637,420	–	–	209,637,420
Average price of zinc forward – RMB/tonne	20,304	–	–	20,304

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)*

72. Hedging *(continued)*

Fair value hedges *(continued)*

The temporal distribution of the notional amount of the hedging instruments and the average price are as follows:
(continued)

2021

	Less than 6 months	6 to 12 months	Over 1 year	Total
Notional amount of gold futures	85,841,525	–	–	85,841,525
Average price of gold futures – RMB/gramme	373	–	–	373
Notional amount of silver futures	374,711,301	–	–	374,711,301
Average price of silver futures – RMB/kilogramme	5,086	–	–	5,086
Notional amount of copper futures	2,185,586,900	–	–	2,185,586,900
Average price of copper futures – RMB/tonne	70,310	–	–	70,310
Notional amount of zinc futures	307,831,475	–	–	307,831,475
Average price of zinc futures – RMB/tonne	23,909	–	–	23,909
Notional amount of gold forward	514,913,562	83,760,725	–	598,674,287
Average price of gold forward – RMB/gramme	367	369	–	367
Notional amount of silver forward	545,813,508	–	–	545,813,508
Average price of silver forward – RMB/kilogramme	5,126	–	–	5,126
Notional amount of copper forward	1,917,582,832	–	–	1,917,582,832
Average price of copper forward – RMB/tonne	61,270	–	–	61,270
Notional amount of zinc forward	194,024,904	–	–	194,024,904
Average price of zinc forward – RMB/tonne	21,321	–	–	21,321

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)*

72. Hedging *(continued)*

Fair value hedges *(continued)*

Changes in the book value and fair value of hedging instruments are as follows:

2022

	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 2022
		Assets	Liabilities		
		Fair value hedges Commodity price risk – inventories	5,397,506,027		

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	6,210,066,732		

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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)*

72. Hedging *(continued)*

Fair value hedges *(continued)*

The book value of the hedged items and the associated adjustments are as follows:

2022

	Book value 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 2022
	Accumulated fair value adjustments on the hedged item (included in the carrying amount of hedged items)					
	Assets	Liabilities	Assets	Liabilities		
Fair value hedges						
Commodity price risk – inventories	5,731,744,890	–	18,796,822	–	Inventories	(575,771,265)

2021

	Book value 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
	Accumulated fair value adjustments on the hedged item (included in the carrying amount of hedged items)					
	Assets	Liabilities	Assets	Liabilities		
Fair value hedges						
Commodity price risk – inventories	6,497,397,796	–	530,370,962	–	Inventories	844,411,146

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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)*72. Hedging *(continued)***Fair value hedges** *(continued)*

The ineffective portion of the hedges in the changes in fair value of hedging instruments is as follows:

2022

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	(293,503)	–	Gains/(Losses) on changes in fair value

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	89,568	–	Gains/(Losses) on changes in fair value

In addition, the Group implemented risk management on the purchases and sales of refined and processed metals as well as the sales of other metals through forward contracts and futures contracts, in order to avoid the risk of significant fluctuation in the prices of relevant products. The Group implemented 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.58 and 59 for details of the gains or losses on changes in fair value and investment income or losses on the derivative financial instruments without designated hedging relationship.

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.)

VI. CHANGES IN THE SCOPE OF CONSOLIDATION

1. Business combination not involving entities under common control

On 8 May 2022, the Company entered into the transfer agreement in relation to the controlling power in Longking with Longking Industrial Investment Group Co., Ltd. and its persons acting in concert, namely Tibet Yango Ruize Industrial Co., Ltd., Tibet Yango Hongrui Industrial & Trade Co., Ltd., Mr. Lin Tengjiao and Ms. Wu Jie (collectively the "transferors"). Pursuant to the agreement, the Company invested RMB1,734,331,295 in cash to acquire 15.02% equity interest in Longking. The transferors agreed to unconditionally, exclusively and irrevocably entrust all the voting rights of the remaining 107,118,761 shares they held (representing 10.02% of the equity interest in Longking) to the Company for execution. Such entrustment is unique and exclusive. After completion of the transaction, the Company holds the voting rights of 267,704,992 shares of Longking in total through direct shareholding and entrustment of execution of voting rights, representing 25.04% of the total voting rights of Longking. The board of Longking consists of 11 directors, including 7 non-independent directors and 4 independent directors. The Company has the right to nominate 5 non-independent directors. The entrusting parties of voting rights can nominate 1 non-independent director who shall entrust his/her voting right in the board of directors to the directors nominated by the Company for execution. Therefore, the Company obtained more than half of the voting rights of the board of directors and thus the controlling power of Longking. The ownership transfer registration procedures of such equity transaction were completed on 30 May 2022. The Company paid a total of RMB982,503,811 for the first installment of the equity transfer payment before 31 May 2022. Since then, the equity transaction was completed and the date of acquisition was determined to be 31 May 2022. The Company paid RMB721,827,484 for the second installment of the equity transfer payment before 30 June 2022, and RMB10,000,000 and RMB2,706,087 in September and October 2022, respectively. As at 31 December 2022, the outstanding balance of RMB17,293,913 had not been settled yet.

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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)***1. Business combination not involving entities under common control** *(continued)*

The fair values and carrying amounts of identifiable assets and liabilities of Longking as at the date of acquisition were as follows:

	Note	31 May 2022 Fair value	31 May 2022 Carrying amount
Cash and cash equivalents		2,087,063,752	2,087,063,752
Held for trading financial assets		720,639,431	720,639,431
Bills receivable		498,192,471	498,192,471
Trade receivables		2,770,548,261	2,770,548,261
Receivables financing		1,286,364,162	1,286,364,162
Prepayments		551,950,173	551,950,173
Other receivables		1,682,697,770	1,682,697,770
Inventories		9,188,638,686	8,610,501,736
Contract assets		1,203,529,469	1,203,529,469
Current portion of non-current assets		145,290,890	145,290,890
Other current assets		668,971,382	668,971,382
Debt investments		305,486,389	305,486,389
Long-term equity investments		16,933,486	16,933,486
Other equity instrument investments		5,599,050	5,599,050
Investment properties	Note V.16	371,316,191	215,026,487
Fixed assets		2,690,616,686	2,117,537,041
Construction in progress		717,814,946	730,552,472
Right-of-use assets	Note V.19	147,836,086	147,836,086
Intangible assets		3,830,985,414	2,700,571,653
Goodwill		–	801,497,143
Long-term deferred assets		19,646,195	19,646,195
Deferred tax assets		199,099,832	199,099,832
Other non-current assets		251,566,392	251,566,392
Short-term borrowings		1,123,750,032	1,123,750,032
Bills payable		471,073,990	471,073,990
Trade payables		3,999,969,704	3,999,969,704
Receipts in advance		91,154,278	91,154,278
Contract liabilities		8,356,424,011	8,356,424,011
Employee benefits payable		60,503,412	60,503,412
Taxes payable		92,785,903	92,785,903
Other payables		158,250,122	158,250,122
Current portion of non-current liabilities		719,635,580	719,635,580
Other current liabilities		705,889,420	705,889,420
Long-term borrowings		2,065,341,847	2,065,341,847
Bonds payable	Note V.37	1,839,841,127	1,839,841,127
Lease liabilities		58,035,475	58,035,475
Long-term payables		179,498,317	179,498,317
Provisions		87,040,199	87,040,199
Deferred income		309,527,323	309,527,323
Deferred tax liabilities		472,563,754	69,266,882

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.)

VI. CHANGES IN THE SCOPE OF CONSOLIDATION *(continued)*

1. Business combination not involving entities under common control *(continued)*

The fair values and carrying amounts of identifiable assets and liabilities of Longking as at the date of acquisition were as follows: *(continued)*

	31 May 2022 Fair value	31 May 2022 Carrying amount
Net assets	8,569,502,620	7,349,114,101
Non-controlling interests of Longking	182,968,574	169,260,897
Net assets attributable to owners of the parent 15.02% shared by Zijin Mining	8,386,534,046 1,259,657,414	7,179,853,204
Consideration		
Cash	1,717,037,382	
Other payables	17,293,913	
	1,734,331,295	
Goodwill arising from acquisition	474,673,881	

From the acquisition date to the end of 2022, the operating results and cash flows of Longking were as follows:

	For the period from 31 May 2022 to 31 Dec 2022
Operating income	8,476,020,203
Net profit	579,841,638
Net cash outflows	(137,180,987)

2. Newly established major subsidiaries

Gold Mountain Ya Mei Construction Inc. was established in the Co-operative Republic of Guyana on 3 January 2022 with a registered capital of 10,000 Guyanaese dollar ("GYD"). The Group holds 100% equity interest in Gold Mountain Ya Mei Construction Inc. As at 31 December 2022, the paid-in capital of Gold Mountain Ya Mei Construction Inc. was GYD0. The newly established subsidiary was included in the scope of consolidation during the reporting period.

Jinshan Andes SAS was established in Colombia on 18 January 2022 with a registered capital of 50,000,000 Colombian pesos ("COP"). The Group holds 100% equity interest in Jinshan Andes SAS. As at 31 December 2022, the paid-in capital of Jinshan Andes SAS was COP0. The newly established subsidiary was included in the scope of consolidation during the reporting period.

Katamba Mining SAS was established in Katanga Province, the DR Congo on 15 February 2022 with a registered capital of USD20,000. The Group holds 70% equity interest in Katamba Mining SAS. As at 31 December 2022, the paid-in capital of Katamba Mining SAS was USD20,000. The newly established subsidiary was included in the scope of consolidation 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.)

VI. CHANGES IN THE SCOPE OF CONSOLIDATION *(continued)*

2. Newly established major subsidiaries *(continued)*

FZU Zijin Hydrogen Power Technology Co., Ltd. was established in Fuzhou City, Fujian Province on 28 February 2022 with a registered capital of RMB266,670,000. The Group holds 75% equity interest in FZU Zijin Hydrogen Power Technology Co., Ltd. As at 31 December 2022, the paid-in capital of FZU Zijin Hydrogen Power Technology Co., Ltd. was RMB133,170,000. The newly established subsidiary was included in the scope of consolidation during the reporting period.

Zijin Mining Jinli (Xiamen) Trading Partnership Enterprise (Limited Partnership) was established in Xiamen City, Fujian Province on 10 March 2022 with a registered capital of RMB262,222,200. The Group's subsidiaries hold 100% equity interest in Zijin Mining Jinli (Xiamen) Trading Partnership Enterprise (Limited Partnership) in total. As at 31 December 2022, the paid-in capital of Zijin Mining Jinli (Xiamen) Trading Partnership Enterprise (Limited Partnership) was RMB262,222,200. The newly established subsidiary was included in the scope of consolidation during the reporting period.

Zijin Mining Group Southwest Geological Exploration Co., Ltd. was established in Chengdu City, Sichuan Province on 16 March 2022 with a registered capital of RMB100,000,000. The Group's subsidiaries hold 100% equity interest in Zijin Mining Group Southwest Geological Exploration Co., Ltd. in total. As at 31 December 2022, the paid-in capital of Zijin Mining Group Southwest Geological Exploration Co., Ltd. was RMB100,000,000. The newly established subsidiary was included in the scope of consolidation during the reporting period.

Zijin Jinhai Logistics (Hainan) Co., Ltd. was established in Dongfang City, Hainan Province on 22 March 2022 with a registered capital of RMB200,000,000. Zijin International Holdings Co., Ltd. ("Zijin International Holdings"), a subsidiary of the Group, holds 100% equity interest in Zijin Jinhai Logistics (Hainan) Co., Ltd. As at 31 December 2022, the paid-in capital of Zijin Jinhai Logistics (Hainan) Co., Ltd. was RMB44,000,000. The newly established subsidiary was included in the scope of consolidation during the reporting period.

Zijin Longking Clean Energy Co., Ltd. was established in Longyan City, Fujian Province on 17 June 2022 with a registered capital of RMB300,000,000. Longking, a subsidiary of the Group, holds 100% equity interest in Zijin Longking Clean Energy Co., Ltd. As at 31 December 2022, the paid-in capital of Zijin Longking Clean Energy Co., Ltd. was RMB50,000,000. The newly established subsidiary was included in the scope of consolidation during the reporting period.

Zijin Clean Energy (Liancheng) Co., Ltd. was established in Longyan City, Fujian Province on 23 March 2022 with a registered capital of RMB20,000,000. Zijin Longking Clean Energy Co., Ltd., a subsidiary of the Group, holds 100% equity interest in Zijin Clean Energy (Liancheng) Co., Ltd. As at 31 December 2022, the paid-in capital of Zijin Clean Energy (Liancheng) Co., Ltd. was RMB20,000,000. The newly established subsidiary was included in the scope of consolidation during the reporting period.

Fujian Zijin Water Environment Technology Co., Ltd. ("Water Environment Technology") was established in Longyan City, Fujian Province on 31 March 2022 with a registered capital of RMB100,000,000. Zijin Environmental Technology Co., Ltd., a subsidiary of the Group, holds 51% equity interest in Fujian Zijin Water Environment Technology Co., Ltd. As at 31 December 2022, the paid-in capital of Fujian Zijin Water Environment Technology Co., Ltd. was RMB15,000,000. The newly established subsidiary was included in the scope of consolidation during the reporting period.

Tibet Zijin Lithium Co., Ltd. ("Tibet Zijin Lithium") was established in Lhasa Economic and Technological Development Zone, Tibet Autonomous Region on 15 April 2022 with a registered capital of RMB2,000,000,000. Zijin Lithium (Hainan) Co., Ltd., a subsidiary of the Group, holds 100% equity interest in Tibet Zijin Lithium. As at 31 December 2022, the paid-in capital of Tibet Zijin Lithium was RMB2,000,000,000. The newly established subsidiary was included in the scope of consolidation 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.)

VI. CHANGES IN THE SCOPE OF CONSOLIDATION *(continued)*

2. Newly established major subsidiaries *(continued)*

Zijin International Commercial Factoring (Hainan) Co., Ltd. was established in Sanya City, Hainan Province on 27 April 2022 with a registered capital of RMB100,000,000. Zijin International Holdings, a subsidiary of the Group, holds 100% equity interest in Zijin International Commercial Factoring (Hainan) Co., Ltd. As at 31 December 2022, the paid-in capital of Zijin International Commercial Factoring (Hainan) Co., Ltd. was RMB100,000,000. The newly established subsidiary was included in the scope of consolidation during the reporting period.

Fulian Ammonia Hydrogen Power (Guangdong) Technology Co., Ltd. was established in Foshan City, Guangdong Province on 16 August 2022 with a registered capital of RMB10,000,000. FZU Zijin Hydrogen Power Technology Co., Ltd., a subsidiary of the Group, holds 51% equity interest in Fulian Ammonia Hydrogen Power (Guangdong) Technology Co., Ltd. As at 31 December 2022, the paid-in capital of Fulian Ammonia Hydrogen Power (Guangdong) Technology Co., Ltd. was RMB5,100,000. The newly established subsidiary was included in the scope of consolidation during the reporting period.

Zijin Petrochemical Energy Co., Ltd. was established in Longyan City, Fujian Province on 22 August 2022 with a registered capital of RMB60,000,000. Zijin Mining Logistics Co., Ltd., a subsidiary of the Group, holds 51% equity interest in Zijin Petrochemical Energy Co., Ltd. As at 31 December 2022, the paid-in capital of Zijin Petrochemical Energy Co., Ltd. was RMB60,000,000. The newly established subsidiary was included in the scope of consolidation during the reporting period.

Zijin Jinhui (Shanghai) International Trading Co., Ltd. was established in Shanghai City on 22 September 2022 with a registered capital of RMB100,000,000. Zijin International Trading Co., Ltd., a subsidiary of the Group, holds 100% equity interest in Zijin Jinhui (Shanghai) International Trading Co., Ltd. As at 31 December 2022, the paid-in capital of Zijin Jinhui (Shanghai) International Trading Co., Ltd. was RMB0. The newly established subsidiary was included in the scope of consolidation during the reporting period.

Zijin Mining Zinan (Xiamen) Investment Partnership Enterprise (Limited Partnership) was established in Xiamen City, Fujian Province on 10 October 2022 with a registered capital of RMB1,738,875,600. The Group holds 100% equity interest in Zijin Mining Zinan (Xiamen) Investment Partnership Enterprise (Limited Partnership). As at 31 December 2022, the paid-in capital of Zijin Mining Zinan (Xiamen) Investment Partnership Enterprise (Limited Partnership) was RMB1,614,968,532. The newly established subsidiary was included in the scope of consolidation during the reporting period.

Fujian Zijin Innovation Applied Materials Co., Ltd. was established in Xiamen City, Fujian Province on 31 October 2022 with a registered capital of RMB50,000,000. Zijin Mining Group Gold Smelting Co., Ltd., a subsidiary of the Group, holds 51% equity interest in Fujian Zijin Innovation Applied Materials Co., Ltd. As at 31 December 2022, the paid-in capital of Fujian Zijin Innovation Applied Materials Co., Ltd. was RMB10,000,000. The newly established subsidiary was included in the scope of consolidation during the reporting period.

Fujian Longking Power Storage Technology Co., Ltd. was established in Longyan City, Fujian Province on 1 December 2022 with a registered capital of RMB500,000,000. Longking New Energy Technology Co., Ltd., a subsidiary of the Group, holds 90% equity interest in Fujian Longking Power Storage Technology Co., Ltd. As at 31 December 2022, the paid-in capital of Fujian Longking Power Storage Technology Co., Ltd. was RMB0. The newly established subsidiary was included in the scope of consolidation during the reporting period.

Fujian Longking Power Storage Battery Co., Ltd. was established in Longyan City, Fujian Province on 6 December 2022 with a registered capital of RMB500,000,000. Fujian Longking Power Storage Technology Co., Ltd., a subsidiary of the Group, holds 100% equity interest in Fujian Longking Power Storage Battery Co., Ltd. As at 31 December 2022, the paid-in capital of Fujian Longking Power Storage Battery Co., Ltd. was RMB0. The newly established subsidiary was included in the scope of consolidation during the reporting period.

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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)***3. Acquisitions of subsidiaries not constituting a business****(1) Neo Lithium**

On 8 October 2021, the Group entered into an arrangement agreement with Neo Lithium, a then listed company in Canada, to acquire all of the issued and outstanding common shares of Neo Lithium for a consideration of CAD6.5 per share in cash. The total consideration of the transaction was CAD959,964,335, equivalent to RMB4,804,621,499. As at 14 January 2022, all approvals or filing procedures of domestic and overseas regulatory authorities required for the acquisition of the equity interest in Neo Lithium were completed, and the approval of environmental impact assessment required for the exploitation stage was obtained. On 21 January 2022, the Group paid the total amount of the consideration in cash, and the transfer of all the equity interest was completed on 25 January 2022. Since then, the Group holds 100% equity interest in Neo Lithium. The date of acquisition was determined to be 25 January 2022. After completion of the acquisition, Neo Lithium was delisted from the TSX Venture Exchange of Canada, and its common shares ceased to be quoted for trading on the OTCQX over-the-counter market in the United States as well as the Frankfurt Stock Exchange in Germany. The core asset of Neo Lithium is the Tres Quebradas Salar project (the "Tres Quebradas Salar") located in Catamarca Province in northwestern Argentina. As at the acquisition date, the Tres Quebradas Salar had not commenced construction and there was a lack of substantive process and ability to create output. The net assets acquired through acquisition of Neo Lithium do not constitute a business. Therefore, the accounting treatment for business combinations not involving entities under common control of Accounting Standard for Business Enterprises No. 20 – Business Combinations was not applied for such acquisition.

The fair values and carrying amounts of assets and liabilities of Neo Lithium on the date of acquisition were as follows:

	25 January 2022 Fair value	25 January 2022 Carrying amount
Cash and cash equivalents	107,832,471	107,832,471
Prepayments	45,338	45,338
Other receivables	569,634	569,634
Inventories	2,576,770	2,576,770
Other current assets	19,945,076	19,945,076
Fixed assets	9,741,759	9,741,759
Intangible assets	4,855,843,669	588,906,992
Long-term deferred assets	4,985,789	4,985,789
Deferred tax assets	12,479,363	12,479,363
Trade payables	31,658,410	31,658,410
Employee benefits payable	979,489	979,489
Other payables	26,827,800	26,827,800
Provisions	4,325,155	4,325,155
Deferred tax liabilities	145,607,516	145,607,516
Net assets	4,804,621,499	537,684,822
Consideration		
Cash	4,804,621,499	

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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)*

3. Acquisitions of subsidiaries not constituting a business *(continued)*

(2) Jinshi Mining

On 28 April 2022, the Group signed a cooperation agreement with DunAn Holding Group Co., Ltd. (“DunAn Group”) and China Zheshang Bank Co., Ltd. Hangzhou Branch (“CZBank Hangzhou Branch”). The Company proposed to acquire four assets (the “Target Assets”) held by DunAn Group. The Target Assets included: 1. 100% equity interest in Jinshi Mining held by DunAn Group for a consideration of RMB4,897,332,050. Jinshi Mining holds 70% equity interest in Tibet Ngari Lakkor Resources Co., Ltd. (“Lakkor Resources”), which was the core asset of the acquisition; 2. the equity interests of companies and property shares included in the Rushan Series Asset Bundle were priced separately, the total consideration was RMB710,000,000; 3. 260,110,468 shares of Jiangnan Chemical Industry; and 4. 89,069,416 shares of Zhejiang DunAn Artificial Environment Co., Ltd. (“DunAn Environment”). Each of the transactions in relation to the abovementioned assets has an independent consideration and its respective terms. A single transaction would not have any impact on the others and the transactions did not form a package deal.

Among the Rushan Series Asset Bundle, the transfer procedures of 100% equity interest in Zhejiang Crestvalue Private Equity Fund Management Co., Ltd. (“Zhejiang Crestvalue”, formerly known as Zhejiang Crestvalue Capital Management Co., Ltd.) were completed on 15 June 2022. Zhejiang Crestvalue is accounted for as a subsidiary. The transfer procedures of 56.27% equity interest in Hangzhou Rushan Venture Capital Co., Ltd. and 52.85% equity interest in Zhejiang Rushan Hi Tech Venture Capital Co., Ltd. were completed on 16 September 2022. They are accounted for as subsidiaries. 48% equity interest in Zhejiang Rushan Xinxing Venture Capital Co., Ltd. and 26.23% equity interest in Zhejiang Rushan Huixin Venture Partnership Enterprise (Limited Partnership) were completed on 16 September 2022. They are accounted for as associates. As at the date of this report, the transfer of the equity interest and property share of Zhuji Rushan Huian Venture Capital Partnership Enterprise (Limited Partnership) in the Rushan Series Asset Bundle had not been completed yet.

On 13 June 2022, the registration procedures of ownership transfer of 260,110,468 shares of Jiangnan Chemical Industry were completed. On 14 June 2022, the consideration was fully settled. Jiangnan Chemical Industry is accounted for as an associate of the Group.

On 10 November 2022, the registration procedures of ownership transfer of 89,069,416 shares of DunAn Environment were completed. On 11 November 2022, the consideration was fully settled. DunAn Environment is accounted for as a held for trading financial asset.

On 11 May 2022, the registration procedures of unpledge and ownership transfer of 100% equity interest in Jinshi Mining were completed. On 17 May 2022, the other conditions of the acquisition were fully fulfilled, and the first installment of the consideration of RMB4,407,598,845 was settled on the same day. On 10 June 2022, the outstanding balance of RMB489,733,205 was settled. The date of acquisition was determined to be 17 May 2022.

The core asset of Jinshi Mining is the Lakkor Tso Salar project. As at the acquisition date, it had not commenced construction and there was a lack of substantive process and ability to create output. The net assets acquired through acquisition of Jinshi Mining do not constitute a business. Therefore, the accounting treatment for business combinations not involving entities under common control of Accounting Standard for Business Enterprises No. 20 – Business Combinations was not applied for such acquisition.

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.)***VI. CHANGES IN THE SCOPE OF CONSOLIDATION** *(continued)***3. Acquisitions of subsidiaries not constituting a business** *(continued)***(2) Jinshi Mining** *(continued)*

The fair values and carrying amounts of assets and liabilities of Jinshi Mining on the date of acquisition were as follows:

	17 May 2022 Fair value	17 May 2022 Carrying amount
Cash and cash equivalents	159,190	159,190
Other receivables	1,148,448	1,148,448
Intangible assets	6,990,030,402	30,347,353
Fixed assets	474,921	474,921
Other payables	502,277	502,277
Net assets	6,991,310,684	31,627,635
Net assets attributable to non-controlling interests	2,093,978,634	6,073,719
Net assets attributable to owners of the parent	4,897,332,050	25,553,916
Consideration		
Cash	4,897,332,050	

4. Deregistered subsidiaries

Company name	Place of registration	Principal activity	Proportion of equity attributable to the Group	Proportion of voting right attributable to the Group	Reason for deconsolidation
Heilongjiang Tongshan Mining Co., Ltd.	Heihe City, Heilongjiang Province	Copper processing, refining and sales	100%	100%	Deregistration
Tibet Sanghai Mining Development Co., Ltd.	Lhasa City, Tibet Autonomous Region	Mining and processing of non-ferrous metals	100%	100%	Deregistration
Fujian New Continent Environmental Protection Construction Engineering Co., Ltd.	Fuzhou City, Fujian Province	Environmental protection and ecological engineering	100%	100%	Deregistration

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

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	Percentage of ownership interest	
					Direct	Indirect
Gold Mountains (H.K.) (Note 1)	Hong Kong	Hong Kong	Trading and investment	HKD29,559,957,000	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	RMB1,437,900,000	-	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%
Zijin Finance	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 and 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; investments; investments in securities (excluding stocks traded in the secondary market), etc.	RMB668,595,500	96%	-
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	RMB1,000,000,000	-	100%

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)*1. Investments in subsidiaries *(continued)*(1) Major subsidiaries acquired by establishment or investment *(continued)*

Company name	Principal place of business	Place of registration	Principal activities	Registered capital	Percentage of ownership interest	
					Direct	Indirect
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%
Heilongjiang Duobaoshan Copper Industry Co., Ltd. ("Duobaoshan Copper Industry") (Note 2)	Heihe City, Heilongjiang Province	Heihe City, Heilongjiang Province	Mining of copper ore; processing and sale of mineral products; mining technology development, consultation, transfer, etc.	RMB3,306,652,800	-	100%
Zijin Mining Investment (Shanghai) Co., Ltd.	Shanghai	Shanghai	Investment management; asset management, etc.	RMB1,000,000,000	100%	-
Zijin International Holdings	Sanya City, Hainan Province	Sanya City, Hainan Province	Import and export agent; import and export of goods, etc.	RMB10,000,000,000	100%	-
Tibet Zijin Lithium	Lhasa City, Tibet Autonomous Region	Lhasa City, Tibet Autonomous Region	Technical services for geological exploration; sale of non-metallic minerals and products; sale of metal ore, etc.	RMB2,000,000,000	-	100%

Note 1: From January to December 2022, the Company increased the capital of Gold Mountains (H.K.), a subsidiary of the Company, by injecting cash of HKD1,098,986,000. After the capital increase, the registered capital of Gold Mountains (H.K.) became HKD29,559,957,000.

Note 2: Duobaoshan Copper Industry amalgamated with Heilongjiang Tongshan Mining Co., Ltd. in 2022. After the amalgamation, the registered capital of Duobaoshan Copper Industry became RMB3,306,652,800.

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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 entities under common control

Company name	Principal place of business	Place of registration	Principal activities	Registered capital	Percentage of ownership interest	
					Direct	Indirect
Ashele Copper	Altay City, Xinjiang Uygur Autonomous Region	Altay City, Xinjiang Uygur Autonomous Region	Exploration and development of geological and mineral resources; production, processing and sale of mineral products; technological services of geological mining; development of motor transportation, environmental protection, 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; manufacture and sale of sulphuric acid for industrial use and copper sulphate	RMB2,221,402,200	-	100%
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	100%	-
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; milling 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%

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)*1. Investments in subsidiaries *(continued)***(2) Major subsidiaries acquired by business combinations not involving entities under common control**
(continued)

Company name	Principal place of business	Place of registration	Principal activities	Registered capital	Percentage of ownership interest	
					Direct	Indirect
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	COP11,238,405,220	-	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, milling, refining, processing and product sales and services of non-ferrous metals, etc.	RMB5,019,800,000	-	50.1%
Lakkor Resources	Gertse County, Tibet Autonomous Region	Gertse County, Tibet Autonomous Region	Development, processing and sales of mineral products	RMB50,000,000	-	70%
Lix S.A.	Argentina	Argentina	Development, processing and sales of mineral products	68,600,000 Argentina pesos	-	100%
Hunan Zijin Lithium Co., Ltd. ("Hunan Zijin Lithium")	Yongzhou City, Hunan Province	Yongzhou City, Hunan Province	Mining of mineral resources in non-coal mines; mineral resources exploration, etc.	RMB73,000,000	-	66%
Longking (Note 1)	Longyan City, Fujian Province	Longyan City, Fujian Province	Manufacturing of special equipment for environmental protection; air pollution control; water pollution control; solid waste treatment; refuse-incineration power generation business, hazardous waste disposal, etc.	RMB1,071,464,473	14.99%	0.87%

Note 1: The Group owns 15.86% equity interest and holds 25.86% voting rights of Longking. According to the factors as stated in Note III.38, Longking is accounted for as a subsidiary of the Group.

Note 2: The abovementioned PRC subsidiaries are companies with limited liability.

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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:

2022

	Percentage of equity interest held by non-controlling shareholders	Profit/(Loss) for the year 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%	591,524,473	–	2,698,971,558
Ashele Copper	49.00%	569,064,325	(637,000,000)	1,068,502,970
COMMUS	28.00%	584,229,622	(625,538,915)	886,919,555
Bisha	45.00%	306,037,784	(204,778,135)	1,060,718,003
Xinjiang Jinbao	44.00%	205,637,553	(308,000,000)	583,716,532
Guizhou Zijin Mining Co., Ltd. ("Guizhou Zijin")	44.00%	57,764,724	–	494,861,722
Heilongjiang Zijin Longxing Mining Co., Ltd. ("Hei Longxing")	30.00%	75,174,670	–	355,806,565
Luoyang Kunyu Mining Co., Ltd. ("Luoyang Kunyu")	30.00%	20,779,943	(42,000,000)	271,911,973
Bayannur Zijin	12.80%	31,653,484	–	232,439,457
Altynken	40.00%	160,475,471	(132,421,024)	657,761,807
Zijin America	30.72%	75,605,475	(76,607,457)	2,892,828,622
Julong Copper	49.90%	1,051,105,991	–	7,480,698,985
Longking	84.98%	200,524,617	(226,787,521)	7,140,908,699
Zeravshan	30.00%	487,311,022	(259,563,645)	384,957,724
Others		308,274,992	(336,066,841)	9,301,660,835
Total		4,725,164,146	(2,848,763,538)	35,512,665,007

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)

1. Investments in subsidiaries (continued)

The major financial information of the subsidiaries in the table above is stated below. These amounts are before elimination among the enterprises of the Group: (continued)

	2022				2021			
	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	7,078,002,491	1,891,508,326	1,165,873,490	1,759,934,073	7,789,816,982	1,871,240,090	1,871,240,090	1,115,050,694
Ashele Copper	2,652,583,142	1,167,971,908	1,167,971,908	1,250,401,878	2,788,770,598	1,341,144,886	1,341,144,886	1,772,019,332
COMMUS	7,007,844,914	1,801,721,084	1,801,721,084	665,358,879	4,011,330,821	2,812,280,501	2,812,280,501	3,884,950,614
Bisha	3,244,380,496	685,914,186	685,914,186	858,720,982	3,488,150,680	640,884,494	640,884,494	1,371,754,639
Xinjiang Jimbao	1,163,904,832	469,487,205	469,487,205	920,088,259	2,645,641,381	1,391,236,732	1,391,236,732	1,557,900,292
Guizhou Zijin	1,088,780,681	131,283,464	131,283,464	306,452,560	1,230,738,282	204,994,472	204,994,472	325,422,745
Hei Longxing (consolidated)	1,782,907,019	282,965,704	521,658,591	672,720,669	1,322,362,212	167,305,936	167,305,936	441,681,014
Luoyang Kunyu	1,080,820,919	97,015,601	97,015,601	206,038,396	637,144,776	91,041,779	91,041,779	221,331,944
Bayannur Zijin	5,168,957,944	254,933,048	260,746,829	(188,327,665)	4,960,624,480	253,589,628	253,589,628	178,450,717
Altynken	1,540,782,755	469,378,295	469,378,295	583,451,340	1,661,917,253	629,635,448	629,635,448	741,989,887
Continental Gold Limited								
Sucursal Colombia	2,995,451,966	211,023,480	211,023,480	907,303,328	2,374,032,995	220,116,386	220,116,386	779,917,862
Julong Copper	6,704,461,469	2,355,115,429	2,354,701,497	3,856,931,349	1,042,768,624	866,649,086	866,649,086	587,305,956
Longking	8,476,020,203	579,841,638	581,646,430	1,132,072,267	-	-	-	-
Zeravshan	4,661,435,241	1,756,079,298	1,866,595,797	2,026,351,124	1,880,048,341	133,702,784	133,702,784	646,249,419

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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. Transactions resulting in changes in the proportion of owners' equity but without impact on the control of subsidiaries

On 24 August 2022, the Company acquired 1% equity interest in Zijin Finance held by China Industrial International Trust Limited. The consideration for the acquisition was RMB18,347,497. After the completion of the acquisition, the Company holds 96% equity interest in Zijin Finance. The transaction resulted in a decrease in non-controlling interests by RMB14,312,097 in the consolidated financial statements.

On 3 November 2022, the Company acquired 30% equity interest in Zijin Yinhui held by Luoyang Yinan Chengfang Industrial Co., Ltd. The consideration for the acquisition was RMB70,000,000. After the completion of the acquisition, the Company holds 100% equity interest in Zijin Yinhui. The transaction resulted in a decrease in non-controlling interests by RMB35,095,800 in the consolidated financial statements.

3. 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	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	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, retail and technical consultation services of precious metals, jewellery and jade products	RMB100,000,000	-	50%	Equity method
Guizhou Funeng Zijin	Anshun City, Guizhou Province	Anshun City, Guizhou Province	Power and electricity investment	RMB200,000,000	-	50%	Equity method
Fujian Longhu Fishery (Note1)	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
Kamoa	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	Serbia	Bor, Serbia	Production of copper powder, copper processing	RSD104,610,167	-	49%	Equity method
Clear Edge Filtration	Longyan City, Fujian Province	Longyan City, Fujian Province	Research and development, production, sales and maintenance of ceramic fibre composite filter equipment	RMB40,000,000	-	50%	Equity method
Fujian Longking Poweroad Energy Storage Technology Co., Ltd.	Longyan City, Fujian Province	Longyan City, Fujian Province	Engineering and technical research and experimental development; research and development of emerging energy technologies; technology promotion and application services; technology extension service; service, development, consultation, exchange, transfer and promotion of technologies	RMB100,000,000	-	49%	Equity method
Porgera (Jersey) Limited	Papua New Guinea	Jersey Island, United Kingdom	Investment	USD2	-	50%	Equity method

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)*

3. Investments in joint ventures and associates *(continued)*

Associates	Principal place of business	Place of registration	Principal activities	Registered capital RMB	Proportion of ownership interest		Accounting treatment
					Direct	Indirect	
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 2)	Yongan City, Fujian Province	Yongan 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	-	37.16%	Equity method
Hunchun Jindi (Note 3)	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 Credit Security	Yanbian Korean Autonomous Prefecture	Yanbian Korean Autonomous Prefecture	Provision of loan guarantees for SMEs and individuals	200,000,000	-	25%	Equity method
Kanas Travel	Burqin County, Xinjiang	Burqin County, Xinjiang	Travel and catering 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
Songpan Zijin	Songpan County, Ngawa Tibetan and Qiang Autonomous Prefecture	Songpan County, Ngawa Tibetan and Qiang Autonomous Prefecture	Sales of industrial production materials, equipment and instruments; development, manufacture and sales 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 sales of zinc, lead, sulphur, copper and iron	73,440,000	10%	37.5%	Equity method
Tibet Yulong	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 4)	Fukang City, Changji Prefecture, Xinjiang	Fukang City, Changji Prefecture, Xinjiang	Limestone mining, cement production, refining and intensive processing of non-ferrous metals	870,935,192	-	17.20%	Equity method
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	-	37.38%	Equity method

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)*3. Investments in joint ventures and associates *(continued)*

Associates <i>(continued)</i>	Principal place of business	Place of registration	Principal activities	Registered capital RMB	Proportion of ownership interest		Accounting treatment
					Direct	Indirect	
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, management and consultation of investment; business information consultation; investment consultation	10,000,000	-	49%	Equity method
Science	Changsha City, Hunan Province	Changsha City, Hunan Province	Design, contracting and construction of environmental protection engineering projects; and research, development, manufacture, sale and related technical services for chemicals and environmental protection equipment used in sewage and wastewater treatment	71,120,000	-	21.22%	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, transfer, consultation, promotion and 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
Yixing Jiayu	Yixing City, Jiangsu Province	Yixing City, Jiangsu Province	Equity investment; engage in equity investment, investment management, asset management and other activities with private equity funds	263,380,000	-	37.97%	Equity method
Sinotech (Note 5)	Chaoyang District, Beijing City	Chaoyang District, Beijing City	Geological exploration of solid mineral, basic geology, energy mineral; rock ore test; processing and metallurgy test, etc.	362,304,000	-	16.63%	Equity method
Minmetals Nonferrous Metals Jiangsu	Lianyungang Economic and Technological Development Zone, Jiangsu Province	Lianyungang Economic and Technological Development Zone, Jiangsu Province	Storage services for goods under customs supervision, road cargo transport; import and export of goods; import and export of technologies, etc.	36,000,000	-	25%	Equity method
Hainan International Clearing House	Haikou City, Hainan Province	Haikou City, Hainan Province	Clearing, settlement, delivery, margin management, collateral management, etc.	350,000,000	-	41.67%	Equity method
Tianfeng Futures	Hongkou District, Shanghai City	Hongkou District, Shanghai City	Commodity futures brokerage, financial futures brokerage, futures investment consultation	314,400,000	44.05%	2.10%	Equity method
Dathcom Mining SA (Note 6)	DR Congo	DR Congo	Mining exploration, etc.	100,000,000 Congolesse francs	-	15%	Equity method

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)*

3. Investments in joint ventures and associates *(continued)*

Associates <i>(continued)</i>	Principal place of business	Place of registration	Principal activities	Registered capital RMB	Proportion of ownership interest		Accounting treatment
					Direct	Indirect	
Hainan International Exchange	Sanya City, Hainan Province	Sanya City, Hainan Province	Exchange business, entrusted by financial institutions to engage in information technology and process outsourcing services, financing advisory services	100,000,000	–	12.21%	Equity method
Jiangnan Chemical Industry (Note 7)	Xuancheng City, Anhui Province	Xuancheng City, Anhui Province	Civil blasting equipment, research and development, production and sales; Engineering blasting design, construction, blasting technical services	2,648,922,855	–	21.81%	Equity method
Haoyang Lithium	Dao County, Yongzhou City, Hunan Province	Dao County, Yongzhou City, Hunan Province	Basic chemical raw material manufacturing, battery manufacturing; sale of batteries	300,000,000	–	34%	Equity method
Zhaojin Mining (Note 8)	Zhaoyuan City, Shandong Province	Zhaoyuan City, Shandong Province	Gold exploration, ore processing, cyanide process (metallurgy) and sale of processed byproducts; mine construction, and technology research and testing, technology promotion services	3,270,393,204	–	20%	Equity method
Zhongxin'an	Shijingshan District, Beijing	Shijingshan District, Beijing	Technology development, enterprise management, enterprise management consulting, information consulting services (excluding licencing information consulting services)	10,000,000	–	20%	Equity method
Longyan International Logistics	Shanghang County, Fujian Province	Shanghang County, Fujian Province	International cargo transportation agent, domestic cargo transportation agent, supply chain management service, import and export agent, import and export of goods, technology import and export	10,000,000	–	49%	Equity method
Jiayou International (Note 9)	Xicheng District, Beijing	Xicheng District, Beijing	Import and export of goods, import and export agent, import and export of technologies; international freight forwarding agent by sea, air and land	285,382,753	–	12.61%	Equity method
Huajian Investment	Bayingoleng Mongolian Autonomous Prefecture, Xinjiang	Bayingoleng Mongolian Autonomous Prefecture, Xinjiang	Mining of mineral resources (non-coal mines)	392,156,863	49%	–	Equity method
Zilong Mining	Lhasa City, Tibet Autonomous Region	Lhasa City, Tibet Autonomous Region	Non-ferrous metal smelting and calendaring processing industry	100,000,000	–	49%	Equity method
Ruiyin Mining (Note 10)	Yantai City, Shandong Province	Yantai City, Shandong Province	Wholesale and retail of metal materials, iron ore and iron ore powder; research and development of technologies for mineral products	1,441,169,605	–	30%	Equity method

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)*

3. Investments in joint ventures and associates *(continued)*

- Note 1: Pursuant to the articles of association of Fujian Longhu Fishery, the board of directors consists of three directors, including two appointed by the Group. The resolutions of the board of directors are only effective when approved by more than two-thirds of the directors. Therefore, the management of the Group considers that the Group has joint control over Fujian Longhu Fishery, and accounts for it as a joint venture.
- Note 2: 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. Besides, 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 3: Pursuant to the articles of association of Hunchun Jindi, the board of directors of Hunchun Jindi consists of five directors, including two appointed by the Group. The resolutions of the board of directors of Hunchun Jindi are only effective when approved by over two-thirds of the directors. Therefore, the management of the Group considers that the Group has significant influence over the financial and operating decisions of Hunchun Jindi, and accounts for it as an associate.
- Note 4: Pursuant to the articles of association of Xinjiang Tianlong, the board of directors 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 5: Pursuant to the articles of association of Sinotech, the board of directors consists of nine directors, including two appointed by the Group. The resolutions of the board of directors are only effective 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 Sinotech, and accounts for it as an associate.
- Note 6: Pursuant to the articles of association of Dathcom Mining SA, the board of directors consists of six directors, including one appointed by the Group. The management of the Group considers that the Group has significant influence over the financial and operating decisions of Dathcom Mining SA, and accounts for it as an associate.
- Note 7: In June 2022, the registration procedures of the transfer of the equity interest in Jiangnan Chemical Industry were completed and the consideration was fully settled. The Group has the right to appoint one director of the board of Jiangnan Chemical Industry. In the opinion of the Group, it has significant influence over the financial and operating decisions of Jiangnan Chemical Industry, and accounts for it as an associate. On 29 November 2022, pursuant to Jiangnan Chemical Industry's announcement, the Group's equity share increased to 21.81%.
- Note 8: Pursuant to the articles of association of Zhaojin Mining, the board of directors comprises eleven directors. The Group has the right to appoint one executive director and one non-executive director. Among them, the executive director also serves as the vice president of Zhaojin Mining, which is a senior management. The management of the Group considers that the Group has significant influence over the financial and operating decisions of Zhaojin Mining, and accounts for it as an associate.
- Note 9: Pursuant to the articles of association of Jiayou International, the board of directors comprises five directors. The Group has the right to appoint one director. The management of the Group considers that the Group has significant influence over the financial and operating decisions of Jiayou International, and accounts for it as an associate.
- Note 10: Pursuant to the articles of association of Ruiyin Mining, the board of directors comprises five directors. The Group has the right to appoint two directors. The management of the Group considers that the Group has significant influence over the financial and operating decisions of Ruiyin Mining, 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)*

3. 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 below, which was adjusted to book value per consolidated financial statements in accordance with the Group's accounting policies:

2022

	Gold Eagle Mining	Kamo
Current assets	420,992,568	8,455,711,762
<i>Including: Cash and cash equivalents</i>	409,114,948	2,546,487,298
Non-current assets	4,193,628,356	27,622,341,878
Total assets	4,614,620,924	36,078,053,640
Current liabilities	1,588,045,963	3,122,405,062
Non-current liabilities	3,482,299	24,237,583,032
Total liabilities	1,591,528,262	27,359,988,094
Non-controlling interests	–	901,745,197
Equity attributable to owners of the parent	3,023,092,662	7,816,320,349
Share of net assets based on the proportion of equity interest	1,360,391,696	3,869,078,572
Adjustments		
Impairment provision	–	–
Book value of equity investments	1,360,391,696	3,869,078,572
Operating income	–	14,997,749,453
Finance expenses	32,776,043	1,030,170,607
<i>Including: Interest income</i>	301,780	87,547,267
<i>Including: Interest expenses</i>	37,537,124	2,062,175,868
Income tax expenses	–	2,359,594,471
Net (loss)/profit	(33,082,876)	4,645,913,696
Net (loss)/profit after amortisation of premium (Note)	(33,082,876)	4,526,291,622
Other comprehensive income	(86,654,327)	–
Total comprehensive (loss)/income	(119,737,203)	4,526,291,622
Amortisation of premium	–	(119,622,074)
Dividends received	–	–

Note: Such figures do not include the upstream transactions between the associates or joint ventures and the Group.

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)*3. Investments in joint ventures and associates *(continued)*

The financial information of the above significant joint ventures is set out below, which was adjusted to book value per consolidated financial statements in accordance with the Group's accounting policies: *(continued)*

2021

	Gold Eagle Mining	Kamoa
Current assets	426,583,054	4,067,340,085
<i>Including: Cash and cash equivalents</i>	<i>407,995,953</i>	<i>140,466,071</i>
Non-current assets	3,872,983,922	20,008,055,034
Total assets	4,299,566,976	24,075,395,119
Current liabilities	1,419,313,647	1,855,196,354
Non-current liabilities	3,187,850	18,450,414,067
Total liabilities	1,422,501,497	20,305,610,421
Non-controlling interests	–	(70,775,959)
Equity attributable to owners of the parent	2,877,065,479	3,840,560,657
Share of net assets based on the proportion of equity interest	1,294,679,465	1,901,077,525
Adjustments		
Impairment provision	–	–
Book value of equity investments	1,294,679,465	1,901,077,525
Operating income	–	5,360,868,711
Finance expenses	39,442,881	482,371,110
<i>Including: Interest income</i>	<i>–</i>	<i>33,084,087</i>
<i>Including: Interest expenses</i>	<i>31,834,963</i>	<i>971,633,465</i>
Income tax expenses	–	866,350,406
Net (loss)/profit	(39,510,866)	1,761,593,335
Net (loss)/profit after amortisation of premium	(39,510,866)	1,688,783,539
Other comprehensive income	21,523,899	–
Total comprehensive (loss)/income	(17,986,967)	1,688,783,539
Amortisation of premium	–	(72,809,796)
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)*

3. Investments in joint ventures and associates *(continued)*

In 2022, the significant associates of the Group include Zhaojin Mining and Ruiyin Mining (2021: Makeng Mining and Yulong Copper), which are accounted for using the equity method.

The financial information of the above significant associates is set out below, which was adjusted to book value per consolidated financial statements in accordance with the Group's accounting policies:

2022

	Zhaojin Mining	Ruiyin Mining
Current assets	12,950,800,189	138,459,242
Non-current assets	38,830,944,169	16,968,468,211
Total assets	51,781,744,358	17,106,927,453
Current liabilities	15,571,254,488	254,710,576
Non-current liabilities	10,225,377,251	3,599,840,490
Total liabilities	25,796,631,739	3,854,551,066
Non-controlling interests	3,437,508,559	–
Equity attributable to owners of the parent	22,547,604,060	13,252,376,387
Share of net assets based on the proportion of equity interest	4,509,520,812	3,975,712,916
Adjustments	(199,811,400)	–
Book value of equity investments	4,309,709,412	3,975,712,916
Operating income	2,797,590,000	–
Income tax expenses	86,222,000	–
Net profit/(loss)	236,001,545	(29,290,282)
Other comprehensive income	–	–
Total comprehensive income/(loss)	236,001,545	(29,290,282)
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)***3. Investments in joint ventures and associates** *(continued)*

The financial information of the above significant associates is set out below, which was adjusted to book value per consolidated financial statements in accordance with the Group's accounting policies: *(continued)*

2021

	Makeng Mining	Yulong Copper
Current assets	361,359,594	3,261,348,853
Non-current assets	4,563,676,475	12,147,484,818
Total assets	4,925,036,069	15,408,833,671
Current liabilities	1,544,739,840	1,807,601,499
Non-current liabilities	882,510,737	7,990,046,873
Total liabilities	2,427,250,577	9,797,648,372
Non-controlling interests	–	–
Equity attributable to owners of the parent	2,497,785,492	5,611,185,299
Share of net assets based on the proportion of equity interest	1,036,580,979	1,234,460,766
Adjustments		
Goodwill	331,615,363	–
Book value of equity investments	1,368,196,342	1,234,460,766
Operating income	2,610,495,123	6,157,555,771
Income tax expenses	336,953,284	312,391,419
Net profit	996,208,401	3,154,252,787
Other comprehensive income	–	–
Total comprehensive income	996,208,401	3,154,252,787
Dividends received	41,500,000	220,000,000

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.)

VII. INVESTMENTS IN OTHER ENTITIES *(continued)*

3. 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:

	2022	2021
Joint ventures		
Aggregate book value of the Group's investments in joint ventures	425,636,271	279,660,411
Items below were calculated by the proportion of equity interest		
Share of net profit of joint ventures	29,827,227	12,804,900
Share of other comprehensive income of joint ventures	–	–
Share of total comprehensive income of joint ventures	29,827,227	12,804,900
Associates		
Aggregate book value of the Group's investments in associates	11,126,407,598	3,550,161,310
Items below were calculated by the proportion of equity interest		
Share of net profit of associates	1,812,589,156	478,427,310
Share of other comprehensive income of associates	–	–
Share of total comprehensive income of associates	1,812,589,156	478,427,310

4. 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 ores	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.

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.)

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:

2022

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	–	20,243,737,052	–	–	20,243,737,052
Held for trading financial assets	5,093,808,339	–	–	–	5,093,808,339
Bills receivable	–	729,421,153	–	–	729,421,153
Trade receivables	2,271,361,470	5,645,603,136	–	–	7,916,964,606
Receivables financing	–	–	2,991,548,914	–	2,991,548,914
Other receivables	–	3,510,254,374	–	–	3,510,254,374
Current portion of non-current assets	–	693,448,118	–	–	693,448,118
Other current assets	–	3,416,908,400	–	–	3,416,908,400
Debt investments	–	321,929,780	–	–	321,929,780
Other equity instrument investments	–	–	–	10,545,595,648	10,545,595,648
Other non-current assets	–	12,137,350,207	–	–	12,137,350,207
	7,365,169,809	46,698,652,220	2,991,548,914	10,545,595,648	67,600,966,591

Financial liabilities

	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost	Total
	Standards' requirement		
Short-term borrowings	–	23,666,315,501	23,666,315,501
Held for trading financial liabilities	540,503,475	–	540,503,475
Bills payable	–	1,735,484,847	1,735,484,847
Trade payables	–	11,757,464,637	11,757,464,637
Other payables	–	9,255,225,644	9,255,225,644
Current portion of non-current liabilities	–	7,636,725,296	7,636,725,296
Other current liabilities	–	2,000,000,000	2,000,000,000
Long-term borrowings	–	68,819,578,332	68,819,578,332
Bonds payable	–	23,870,516,058	23,870,516,058
Long-term payables	–	3,272,675,848	3,272,675,848
Other non-current liabilities – contingent consideration	1,232,842,044	–	1,232,842,044
Lease liabilities	–	222,586,249	222,586,249
	1,773,345,519	152,236,572,412	154,009,917,931

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.)

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)

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	–	14,221,780,252	–	–	14,221,780,252
Held for trading financial assets	2,935,224,582	–	–	–	2,935,224,582
Trade receivables	–	2,445,223,101	–	–	2,445,223,101
Receivables financing	–	–	1,958,255,180	–	1,958,255,180
Other receivables	–	1,283,583,338	–	–	1,283,583,338
Current portion of non-current assets	–	8,923,967	–	–	8,923,967
Other current assets	–	1,057,383,304	–	–	1,057,383,304
Debt investments	–	468,136,162	–	–	468,136,162
Other equity instrument investments	–	–	–	9,415,646,061	9,415,646,061
Other non-current financial assets	62,500,000	–	–	–	62,500,000
Other non-current assets	–	9,908,788,420	–	–	9,908,788,420
	2,997,724,582	29,393,818,544	1,958,255,180	9,415,646,061	43,765,444,367

Financial liabilities

	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost	Total
	Standards' requirement		
Short-term borrowings	–	18,229,100,791	18,229,100,791
Held for trading financial liabilities	156,812,356	–	156,812,356
Bills payable	–	394,380,588	394,380,588
Trade payables	–	7,442,318,423	7,442,318,423
Other payables	–	7,062,370,797	7,062,370,797
Current portion of non-current liabilities	–	9,462,777,739	9,462,777,739
Other current liabilities	–	505,026,849	505,026,849
Long-term borrowings	–	36,126,816,893	36,126,816,893
Bonds payable	–	14,247,474,590	14,247,474,590
Long-term payables	–	2,359,167,215	2,359,167,215
Other non-current liabilities – contingent consideration	1,195,851,967	–	1,195,851,967
Lease liabilities	–	184,195,155	184,195,155
	1,352,664,323	96,013,629,040	97,366,293,363

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.)

VIII. FINANCIAL INSTRUMENTS AND RISKS *(continued)*

2. Transfers of financial assets

Transferred financial assets that are not derecognised in their entirety

As at 31 December 2022, the Group endorsed commercial acceptance bills with a carrying amount of RMB348,118,155 (31 December 2021: RMB15,300,000) to its suppliers in order to settle the trade payables due to such suppliers. During the year 2022, the Group operated a number of discounting businesses through several banks in China. As at 31 December 2022, the carrying amount of the bank acceptance bills which the Group had discounted to the banks while having repurchase obligations when the bills became due was RMB1,321,665,087 (31 December 2021: RMB670,475,468). In the opinion of the Group, the Group has retained substantially all the risks and rewards, which include the relevant default risks, and accordingly, it continued to recognise the full carrying amounts of the 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 31 December 2022, the total carrying amount of the bank acceptance bills which were endorsed to certain of the group's suppliers in order to settle the trade payables due to such suppliers or already discounted to banks with no repurchase obligation at the maturity date (the "Derecognised Bills") was RMB3,201,624,672 (31 December 2021: RMB721,451,130). The Derecognised Bills had a maturity of 1 to 12 months at 31 December 2022. In accordance with the Law of Negotiable Instruments, the holders of the Derecognised Bills have a 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 the risks and rewards relating to the Derecognised Bills. Accordingly, it has derecognised the full carrying amounts of the 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.

During the year ended 31 December 2022, the Group did not recognise 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 year.

3. Risks 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, bills receivable, receivables financing and trade receivables, other receivables, loans, bills payable, bonds payable and held for trading financial liabilities, trade payables, other equity instrument investments, long-term receivables, deposits 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 will manage the market risk of the derivative financial instruments in accordance with the variance between actual metal prices in the market and estimated target prices, etc. Risks associated with these financial instruments and policies of the risk management to lower the risks of the Group are summarised below.

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.)

VIII. FINANCIAL INSTRUMENTS AND RISKS *(continued)*

3. Risks 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 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, which comprise commercial acceptance bills receivable, trade receivables, debt investments, other 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 through the granting of financial guarantees, further details of which are 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 for the remaining duration at the end of the reporting period increasing more than a given percentage 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)*

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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. Risks 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 difficulties incurred by the issuer or debtor;
- Breach of contract by the debtor, such as default or overdue payment of interest or principal;
- Creditors give concessions that would not be made by the debtor in any other circumstances for economic or contractual reasons related to the debtor's financial difficulties;
- The debtor is likely to go bankrupt or undergo other financial restructuring;
- The financial difficulties of the issuer or debtor result in the disappearance of an active market for the financial asset;
- Purchase or origin of a financial asset at a substantial discount that reflects the fact that a credit loss has 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.

As at 31 December 2022, there was no evidence of a significant increase in credit risk.

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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. Risks 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 and other borrowings. As at 31 December 2022, approximately 36% of the Group's debts will mature in less than one year (31 December 2021: approximately 45%).

The tables below summarise the maturity profile of the Group's financial liabilities based on contractual undiscounted cash flows:

2022

	Within 1 year	Over 1 year but within 5 years	Over 5 years	Total
Short-term borrowings	23,884,742,451	–	–	23,884,742,451
Held for trading financial liabilities	379,517,807	–	–	379,517,807
Bills payable	1,735,484,847	–	–	1,735,484,847
Trade payables	11,918,450,305	–	–	11,918,450,305
Other payables	9,255,225,644	–	–	9,255,225,644
Current portion of non-current liabilities	7,817,899,271	–	–	7,817,899,271
Other current liabilities	2,018,262,777	–	–	2,018,262,777
Long-term borrowings	1,990,341,863	56,682,260,934	18,214,986,683	76,887,589,480
Bonds payable	726,330,000	24,694,486,083	825,463,333	26,246,279,416
Long-term payables	24,304,878	1,371,865,010	2,009,709,808	3,405,879,696
Other non-current liabilities – contingent consideration	–	1,633,260,000	–	1,633,260,000
Lease liabilities	–	227,529,336	406,652	227,935,988
	59,750,559,843	84,609,401,363	21,050,566,476	165,410,527,682

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.)*VIII. FINANCIAL INSTRUMENTS AND RISKS *(continued)*3. Risks of financial instruments *(continued)***Liquidity risk** *(continued)*

The tables below summarise the maturity profile of the Group's financial liabilities based on contractual undiscounted cash flows: *(continued)*

2021

	Within 1 year	Over 1 year but within 5 years	Over 5 years	Total
Short-term borrowings	18,257,293,202	–	–	18,257,293,202
Held for trading financial liabilities	156,812,356	–	–	156,812,356
Bills payable	394,380,588	–	–	394,380,588
Trade payables	7,442,318,423	–	–	7,442,318,423
Other payables	7,062,370,797	–	–	7,062,370,797
Current portion of non-current liabilities	9,377,662,752	–	–	9,377,662,752
Other current liabilities	678,088,310	–	–	678,088,310
Long-term borrowings	240,533,669	27,175,683,910	9,449,197,424	36,865,415,003
Bonds payable	478,980,000	13,899,600,833	–	14,378,580,833
Long-term payables	403,861,722	523,147,786	1,895,517,065	2,822,526,573
Other non-current liabilities – contingent consideration	–	–	1,633,260,000	1,633,260,000
Lease liabilities	–	226,952,942	–	226,952,942
	44,492,301,819	41,825,385,471	12,977,974,489	99,295,661,779

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 manages interest costs by maintaining an appropriate combination of fixed-rate debt and variable-rate debt. As at 31 December 2022, approximately 45% of the interest-bearing borrowings of the Group (31 December 2021: approximately 77%) were accrued at fixed interest rates.

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.)

VIII. FINANCIAL INSTRUMENTS AND RISKS *(continued)*

3. Risks of financial instruments *(continued)*

Market risk *(continued)*

Interest rate risk *(continued)*

The table below demonstrates the sensitivity analysis of the impact (of floating rate borrowings) on the net profit and other comprehensive income after tax when reasonable and possible fluctuations of interest rate occurred, under the assumption that other variables were held constant.

2022

	Increase/(Decrease) in basis points	(Decrease)/Increase in net profit	(Decrease)/Increase in other comprehensive income after tax	Total (decrease)/increase in owners' equity
RMB	100/(100)	(221,822,402)/221,822,402	(7,434,753)/7,522,811	(229,257,155)/229,345,213
AUD	100/(100)	(16,530,327)/16,530,327	–	(16,530,327)/16,530,327
USD	100/(100)	(286,239,598)/286,239,598	–	(286,239,598)/286,239,598

2021

	Increase/(Decrease) in basis points	(Decrease)/Increase in net profit	(Decrease)/Increase in other comprehensive income after tax	Total (decrease)/increase in owners' equity
RMB	100/(100)	(29,278,460)/29,278,460	(7,186,130)/7,186,130	(36,464,590)/36,464,590
USD	100/(100)	(84,992,130)/84,992,130	–	(84,992,130)/84,992,130

Currency risk

The operating results of the Group is 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 carried out hedging businesses for the exchange rate risk exposure. The Board approved 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. A specialised monetary financial planning team is set up under the financial planning team to carry out the specific transaction business.

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.)

VIII. FINANCIAL INSTRUMENTS AND RISKS *(continued)*

3. Risks of financial instruments *(continued)*

Market risk *(continued)*

Currency risk *(continued)*

The table below demonstrates the sensitivity analysis of the impact on the net profit and other comprehensive income after tax when there were reasonable and possible changes in the RMB exchange rates against United States dollar, Great British pound, Hong Kong dollar, Canadian dollar, Russian ruble, Australian dollar and Euro, under the assumption that other variables were held constant.

2022

	Increase/(Decrease) in exchange rate	Increase/(Decrease) in net profit	Increase/(Decrease) in other comprehensive income after tax	Total increase/(decrease) in owners' equity
If RMB weakens against USD	10%	(1,841,939,862)	–	(1,841,939,862)
If RMB strengthens against USD	(10%)	1,841,939,862	–	1,841,939,862
If RMB weakens against GBP	10%	415,661	–	415,661
If RMB strengthens against GBP	(10%)	(415,661)	–	(415,661)
If RMB weakens against HKD	10%	54,416,100	53,259,210	107,675,310
If RMB strengthens against HKD	(10%)	(54,416,100)	(53,259,210)	(107,675,310)
If RMB weakens against CAD	10%	16,293,979	915,172,076	931,466,055
If RMB strengthens against CAD	(10%)	(16,293,979)	(915,172,076)	(931,466,055)
If RMB weakens against RUB	10%	991,607	–	991,607
If RMB strengthens against RUB	(10%)	(991,607)	–	(991,607)
If RMB weakens against AUD	10%	(195,403,922)	2,121,551	(193,282,371)
If RMB strengthens against AUD	(10%)	195,403,922	(2,121,551)	193,282,371
If RMB weakens against EUR	10%	784,284	–	784,284
If RMB strengthens against EUR	(10%)	(784,284)	–	(784,284)

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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. Risks of financial instruments *(continued)*

Market risk *(continued)*

Currency risk *(continued)*

The table below demonstrates the sensitivity analysis of the impact on the net profit and other comprehensive income after tax when there were reasonable and possible changes in the RMB exchange rates against United States dollar, Great British pound, Hong Kong dollar, Canadian dollar, Russian ruble, Australian dollar and Euro, under the assumption that other variables were held constant. *(continued)*

2021

	Increase/(Decrease) in exchange rate	Increase/(Decrease) in net profit	Increase/(Decrease) in other comprehensive income after tax	Total increase/(decrease) in owners' equity
If RMB weakens against USD	10%	1,039,363,160	143,480	1,039,506,640
If RMB strengthens against USD	(10%)	(1,039,363,160)	(143,480)	(1,039,506,640)
If RMB weakens against GBP	10%	911	–	911
If RMB strengthens against GBP	(10%)	(911)	–	(911)
If RMB weakens against HKD	10%	27,714,294	–	27,714,294
If RMB strengthens against HKD	(10%)	(27,714,294)	–	(27,714,294)
If RMB weakens against CAD	10%	46,995,992	861,318,521	908,314,513
If RMB strengthens against CAD	(10%)	(46,995,992)	(861,318,521)	(908,314,513)
If RMB weakens against RUB	10%	1,837,829	–	1,837,829
If RMB strengthens against RUB	(10%)	(1,837,829)	–	(1,837,829)
If RMB weakens against AUD	10%	215,250,388	–	215,250,388
If RMB strengthens against AUD	(10%)	(215,250,388)	–	(215,250,388)
If RMB weakens against EUR	10%	711,979	–	711,979
If RMB strengthens against EUR	(10%)	(711,979)	–	(711,979)

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.)*VIII. FINANCIAL INSTRUMENTS AND RISKS *(continued)*3. Risks of financial instruments *(continued)***Market risk** *(continued)**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.14) as at 31 December 2022. 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.

The market equity indices for the following stock exchanges, at the close of business of the nearest trading day in the year to the end of the reporting period, and their respective highest and lowest closing points during the year were as follows:

	End of 2022	Highest/Lowest 2022	End of 2021	Highest/Lowest 2021
Shanghai – SSE Composite Index	3,089	3,632/2,886	3,814	3,894/3,519
Shenzhen – A-share index	2,067	2,645/1,833	2,648	2,681/2,261
Hong Kong – Hang Seng Index	19,781	24,966/14,687	23,398	31,085/22,745
Toronto TSX Venture Exchange	570	941/555	939	1,099/854
Toronto Stock Exchange	19,385	22,087/18,206	21,223	21,769/17,337
New York Stock Exchange	15,184	17,354/13,472	17,146	17,286/14,258
London Stock Exchange Index	7,452	7,672/6,826	7,385	7,421/6,407
Australian Securities Exchange Index	7,039	7,593/6,433	7,445	7,535/6,607
Johannesburg Stock Exchange	66,955	71,058/56,921	67,052	67,130/55,246
NASDAQ	10,940	16,502/10,679	16,320	16,573/12,299

Notes to Financial Statements (continued)

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VIII. FINANCIAL INSTRUMENTS AND RISKS (continued)

3. Risks of financial instruments (continued)

Market risk (continued)

Equity instruments price risk (continued)

The table below shows the sensitivity analysis of the impact on the net profit and other comprehensive income after tax if the fluctuation was 10% on the basis of the carrying amount as at 31 December 2022 towards the fair value of equity instruments, under the assumption that other variables were held constant and any tax impact was excluded.

2022

	Carrying amount of equity instruments	Increase/(Decrease) in net profit	Increase/(Decrease) in other comprehensive income after tax	Total increase/(decrease) in owners' equity
Held-for-trading financial assets				
Hong Kong Stock Exchange	419,264,458	31,444,834/(31,444,834)	-	31,444,834/(31,444,834)
Toronto Stock Exchange	134,610,009	10,095,751/(10,095,751)	-	10,095,751/(10,095,751)
Toronto TSX Venture Exchange	7,541,534	565,615/(565,615)	-	565,615/(565,615)
New York Stock Exchange	656,042,346	49,203,176/(49,203,176)	-	49,203,176/(49,203,176)
NASDAQ	3,414,047	256,054/(256,054)	-	256,054/(256,054)
Australian Securities Exchange	20,241,140	1,518,085/(1,518,085)	-	1,518,085/(1,518,085)
American Stock Exchange	4,335,892	325,192/(325,192)	-	325,192/(325,192)
Shanghai Stock Exchange	632,871,031	47,465,327/(47,465,327)	-	47,465,327/(47,465,327)
Shenzhen Stock Exchange	1,505,787,772	112,934,083/(112,934,083)	-	112,934,083/(112,934,083)
London Stock Exchange	2,324,156	174,312/(174,312)	-	174,312/(174,312)
Other equity instrument investments				
Toronto TSX exchange	440,205	-	33,015/(33,015)	33,015/(33,015)
Toronto Stock Exchange	9,151,280,557	-	686,346,042/(686,346,042)	686,346,042/(686,346,042)
Johannesburg Stock Exchange	1,488,604	-	111,645/(111,645)	111,645/(111,645)
Hong Kong Stock Exchange	532,592,102	-	39,944,408/(39,944,408)	39,944,408/(39,944,408)
Australian Securities Exchange	21,215,510	-	1,591,163/(1,591,163)	1,591,163/(1,591,163)

2021

	Carrying amount of equity instruments	Increase/(Decrease) in net profit	Increase/(Decrease) in other comprehensive income after tax	Total increase/(decrease) in owners' equity
Held-for-trading financial assets				
Hong Kong Stock Exchange	253,733,355	19,030,002/(19,030,002)	-	19,030,002/(19,030,002)
Toronto Stock Exchange	104,811,932	7,860,895/(7,860,895)	-	7,860,895/(7,860,895)
Toronto TSX Venture Exchange	6,429,810	482,236/(482,236)	-	482,236/(482,236)
New York Stock Exchange	318,211,099	23,865,832/(23,865,832)	-	23,865,832/(23,865,832)
NASDAQ	119,925,068	8,994,380/(8,994,380)	-	8,994,380/(8,994,380)
Australian Securities Exchange	35,396,346	2,654,726/(2,654,726)	-	2,654,726/(2,654,726)
American Stock Exchange	2,825,073	211,880/(211,880)	-	211,880/(211,880)
Shanghai Stock Exchange	688,911,535	51,668,365/(51,668,365)	-	51,668,365/(51,668,365)
Shenzhen Stock Exchange	10,440,000	783,000/(783,000)	-	783,000/(783,000)
Other equity instrument investments				
Toronto TSX exchange	391,299	-	29,347/(29,347)	29,347/(29,347)
Toronto Stock Exchange	8,612,793,908	-	645,959,543/(645,959,543)	645,959,543/(645,959,543)
Johannesburg Stock Exchange	1,434,798	-	107,610/(107,610)	107,610/(107,610)
Hong Kong Stock Exchange	50,607,850	-	3,795,589/(3,795,589)	3,795,589/(3,795,589)

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.)

VIII. FINANCIAL INSTRUMENTS AND RISKS *(continued)*

3. Risks of financial instruments *(continued)*

Market risk *(continued)*

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 could probably affect the Group's operating results.

The Group has carried out hedging businesses on the future sales of gold, copper, zinc and silver. The board of directors has approved 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 monitoring to the price fluctuation of commodity futures contracts.

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 ended 31 December 2022 and 31 December 2021.

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:

	2022	2021
Total assets	306,044,139,470	208,594,678,123
Total liabilities	181,588,693,965	115,697,507,579
Debt-to-asset ratio	59%	55%

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

1. Assets and liabilities measured at fair value

2022

	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				
Held for trading financial assets				
Held for trading debt investments	111,086,559	–	–	111,086,559
Held for trading equity investments	3,486,317,085	–	–	3,486,317,085
Derivative financial assets	4,408,794	42,384,452	–	46,793,246
Documentary factoring business	–	35,000,000	–	35,000,000
Trust protection fund	62,500,000	–	–	62,500,000
Others	1,352,111,449	–	–	1,352,111,449
Trade receivables				
Trade receivables with provisional pricing terms	2,271,361,470	–	–	2,271,361,470
Receivables financing				
Bills receivable	–	2,949,903,644	–	2,949,903,644
Trade receivables	–	41,645,270	–	41,645,270
Other equity instrument investments	9,707,016,978	–	838,578,670	10,545,595,648
Total assets measured at fair value	16,994,802,335	3,068,933,366	838,578,670	20,902,314,371
Held for trading financial liabilities				
Provisional pricing contracts	–	160,985,668	–	160,985,668
Derivative financial liabilities – commodity hedging	225,678,849	63,493,046	–	289,171,895
Derivative financial liabilities – over-the-counter options	–	5,873,327	–	5,873,327
Derivative financial liabilities – foreign currency derivatives	–	84,472,585	–	84,472,585
Other non-current liabilities				
Contingent consideration	–	–	1,232,842,044	1,232,842,044
Total liabilities measured at fair value	225,678,849	314,824,626	1,232,842,044	1,773,345,519

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)*1. Assets and liabilities measured at fair value *(continued)*

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				
Held for trading financial assets				
Held for trading debt investments	1,596,952	–	–	1,596,952
Held for trading equity investments	1,562,935,664	–	–	1,562,935,664
Derivative financial assets	135,654,536	16,989,708	–	152,644,244
Documentary factoring business	–	79,300,000	–	79,300,000
Others	1,138,747,722	–	–	1,138,747,722
Receivables financing				
Bills receivable	–	1,958,255,180	–	1,958,255,180
Other equity instrument investments	8,665,227,855	–	750,418,206	9,415,646,061
Other non-current financial assets				
Trust protection fund	62,500,000	–	–	62,500,000
Total assets measured at fair value	11,566,662,729	2,054,544,888	750,418,206	14,371,625,823
Held for trading financial liabilities				
Derivative financial liabilities – equity swaps	–	25,548,970	–	25,548,970
Derivative financial liabilities – commodity hedging	119,732,353	11,531,033	–	131,263,386
Other non-current liabilities				
Contingent consideration	–	–	1,195,851,967	1,195,851,967
Total liabilities measured at fair value	119,732,353	37,080,003	1,195,851,967	1,352,664,323

In the years 2022 and 2021, there were no transfers of fair value measurements 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

2022

	Fair value measurement using			Total
	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Debt investments	–	321,929,780	–	321,929,780
Long-term receivables	–	–	12,137,350,207	12,137,350,207
Borrowings	–	92,485,893,833	–	92,485,893,833
Bonds payable	–	23,870,516,058	–	23,870,516,058
Long-term payables	–	–	3,272,675,848	3,272,675,848
Current portion of non-current assets	–	–	693,448,118	693,448,118
Current portion of non-current liabilities	–	4,323,990,973	3,312,734,323	7,636,725,296

2021

	Fair value measurement using			Total
	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Debt investments	–	468,136,162	–	468,136,162
Long-term receivables	–	–	9,899,864,453	9,899,864,453
Borrowings	–	54,355,917,684	–	54,355,917,684
Bonds payable	–	14,247,474,590	–	14,247,474,590
Long-term payables	–	–	2,359,167,215	2,359,167,215
Current portion of non-current assets	–	–	8,923,967	8,923,967
Current portion of non-current liabilities	–	6,559,669,369	2,910,681,151	9,470,350,520

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, other current assets, bills payable, trade payables, dividends payable, other payables 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 instruments 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.

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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)*

3. Estimation of fair value *(continued)*

The fair values of debt investments, 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 31 December 2022, 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 futures and forward contracts of precious metals, foreign currency forward contracts and the derivative financial instruments in the provisional pricing 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 amount of forward contracts of precious metals and foreign currency forward contracts are approximate to their fair values.

4. Unobservable inputs

The overview of the significant unobservable inputs used by Level 3 fair value measurement is as follows:

2022

	Year-end fair value	Valuation technique	Unobservable inputs	Range interval
Other equity instrument investments	937,463,370	Market approach	Price-to-book ratio Liquidity discount Enterprise value/operating income Price-earnings ratio Price-sales ratio	0.5-2.4 10%-25% 2.3-5.5 10.3 0.4
Other non-current liabilities – contingent consideration	1,232,842,044	Monte Carlo simulation	Long-term equilibrium prices Discount rate	67,311 2.8%

2021

	Year-end fair value	Valuation technique	Unobservable inputs	Range interval
Other equity instrument investments	750,418,206	Market approach	Price-to-book ratio Liquidity discount Enterprise value/operating income Price-earnings ratio Price-sales ratio	0.5-2.9 25%-30% 3.1-3.2 13.7 0.5-1.7

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

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 right	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.3.

4. Joint operation

Information about the joint operation of the Company is disclosed in Note VII.4.

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**

	Related party relationships
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
Canoca Investment Limited ("Canoca")	A non-controlling shareholder of CARRILU
Tech-Resources (Hong Kong)	The parent company of Canoca, 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
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
CLAI Gilding (BVI) Investment Limited ("CLAI")	A non-controlling shareholder of Zijin America
ZLCFL-Cayman International Investment Cooperation Limited ("ZLCFL")	A non-controlling shareholder of Zijin America
Kyrgyzaltyn OJSC	A non-controlling shareholder of Altynken
Mineral Resources Enga Limited	A non-controlling shareholder of BNL
Eritrean National Mining Corporation	A non-controlling shareholder of Bisha
Xiamen Haitou Supply Chain Operation Co., Ltd. ("Xiamen Haitou Supply Chain")	A non-controlling shareholder of Xiamen Cross-Strait Gold Jewelry Industrial Park Co., Ltd.
Jinzhou (Xiamen) Gold Asset Management Co., Ltd. ("Jinzhou (Xiamen)")	A non-controlling shareholder of Xiamen Cross-Strait Gold Jewelry Industrial Park Co., Ltd.
Xiamen Haitou Xinfeng Industry and Trade Co., Ltd. ("Haitou Xinfeng")	A subsidiary of Xiamen Haitou Supply Chain, a non-controlling shareholder of Xiamen Cross-Strait Gold Jewelry Industrial Park Co., Ltd.
Xiamen Haitou Economic & Trade Co., Ltd. ("Haitou Economic")	A subsidiary of Xiamen Haitou Supply Chain, a non-controlling shareholder of Xiamen Cross-Strait Gold Jewelry Industrial Park Co., Ltd.
Xiamen Haitou Trading Co., Ltd. ("Haitou Trading")	A subsidiary of Xiamen Haitou Supply Chain, a non-controlling shareholder of Xiamen Cross-Strait Gold Jewelry Industrial Park Co., Ltd.
Wuxin Copper	A subsidiary of Xinjiang Nonferrous Metal Industry (Group) Co., Ltd., a non-controlling shareholder of Ashele Copper
Tongling Nonferrous Metals Group Shanghai Investment and Trade Co., Ltd. ("Tongling Nonferrous Shanghai Investment")	A subsidiary of Tongling Nonferrous Metals, a non-controlling shareholder of Zijin Tongguan
Kamoa Copper	A subsidiary of Kamoa, a joint venture
Zisen (Hong Kong) Supply Chain Management Co., Limited ("Zisen (HK)")	A subsidiary of Zisen Supply Chain, an associate
Fujian Rare Earth (Group) Co., Ltd. ("Fujian Rare Earth")	The parent company of Makeng Mining, an associate
Xinjiang Tianhe Blasting Engineering Co., Ltd. ("Xinjiang Tianhe")	A subsidiary of Jiangnan Chemical Industry, an associate
Eksplzivni Rudex Doo Beograd ("Eksplzivni")	A subsidiary of Jiangnan Chemical Industry, an associate
Xi'an Lude Real Estate Co., Ltd. (Note)	A related party of Longking
Yango Property Services Co., Ltd. Haiyan Branch (Note)	A related party of Longking

Note: These related parties are the related parties of Longking. The Group newly disclosed the transaction amounts and balances between Longking and its related parties due to acquisition of Longking, an acquisition of subsidiary not involving entities under common control.

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 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	2022	2021
Kamoa Copper	Purchase of copper concentrates	Market price	8,043,111,236	2,692,291,707
Haitou Xinfeng	Purchase of low-purity gold	Market price	6,522,288,030	–
Zisen Supply Chain	Purchase of raw materials	Market price	1,800,975,798	1,294,661,729
Zisen (HK)	Purchase of raw materials	Market price	826,353,082	–
Haitou Economic	Purchase of low-purity gold	Market price	819,113,811	–
Wancheng Commercial	Purchase of zinc concentrates	Market price	440,752,573	407,026,228
Xiamen Haitou Supply Chain	Purchase of low-purity gold	Market price	371,820,505	558,261,607
Southwest Zijin Gold	Purchase of low-purity gold	Market price	250,647,128	520,780,868
Guizhou Geological and Mineral Resources	Purchase of low-purity gold	Market price	147,254,132	226,635,095
Explosive Co.	Construction services	Market price	136,698,580	184,343,250
Science	Construction services	Market price	135,488,586	83,804,585
Jinzhou (Xiamen)	Purchase of low-purity gold	Market price	96,154,116	–
Jiayou International	Logistics services	Market price	95,512,559	–
Xinjiang Tianhe	Construction services	Market price	78,440,540	–
Evergreen New Energy	Purchase of lithium carbonate	Market price	44,717,655	–
Kerui Environment	Purchase of environmental protection equipment and materials	Market price	20,812,655	–
Shanghang County Jinshan Trading	Purchase of raw materials	Market price	20,707,024	27,547,085
Eksplzivi	Construction services	Market price	19,609,625	–
Qilin Mining	Transportation and construction services	Market price	6,149,637	19,151,530
Haitou Trading	Purchase of low-purity gold	Market price	4,620,903	–
Makeng Mining	Purchase of iron ore	Market price	–	109,056,035
Others	Not applicable	Market price	12,234,606	1,944,079
			19,893,462,781	6,125,503,798

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)***(A) Sales and purchases of products, and receipt of services to and from related parties** *(continued)*

Sales of products and rendering of services to related parties

	Nature of transaction	Pricing method and decision-making procedures of the related party transaction	2022	2021
Tongling Nonferrous Metals Shanghai Investment	Sale of copper cathodes	Market price	3,372,422,550	2,869,842,553
Wuxin Copper*	Sale of copper concentrates	Market price	1,542,966,459	1,449,526,487
Kyrgyzaltyn OJSC	Sale of gold bullion	Market price	1,428,863,462	1,603,880,317
Zisen (HK)	Sale of copper concentrates	Market price	1,307,480,251	73,420,317
Zisen Supply Chain	Sale of zinc concentrates and copper cathodes	Market price	1,151,859,786	522,261,777
Evergreen New Energy	Sale of cobalt hydroxide and sulphuric acid	Market price	328,132,309	404,222,288
Kamoa Copper	Sale of materials and mine construction	Market price	246,524,792	312,794,978
Wengfu Zijin	Sale of sulphuric acid	Market price	125,293,457	146,106,613
Southwest Zijin Gold	Sale of gold material	Market price	119,364,895	57,354,422
Xinjiang Tianlong	Sale of calcined coke and petroleum coke	Market price	55,094,814	69,714,487
Tianfeng Futures	Sale of zinc bullion and copper cathodes	Market price	46,466,514	–
Shandong Guoda	Sale of gold concentrates	Market price	34,533,260	–
Shanghang County Jinshan Trading	Sale of diesel and waste materials	Market price	14,934,639	–
Jinzhou (Xiamen)	Sale of gold material	Market price	3,186,934	79,377,944
Others	Not applicable	Market price	9,087,387	12,327,118
			9,786,211,509	7,612,180,244

* 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 leases

As lessor

	Types of leased assets	Rental income 2022	Rental income 2021
Wuxin Copper	Acid storage and other assets	11,320,755	–
Others	Office building and other assets	950,195	–
		12,270,950	–

As lessee

	Types of leased assets	Rental expenses 2022	Rental expenses 2021
Yango Property Services Co., Ltd. Haiyan Branch	Property services	1,825,470	–

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) Related party guarantees

- (1) Provision of guarantees by related parties for bank loans of the Group

In 2022 and 2021, 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

2022

Guarantor	Guaranteed party	Amount of guarantee	Inception date of guarantee	Expiry date of guarantee	Whether performance of guarantee has been completed
The Company	Evergreen New Energy (Note XII.2 (Note 2))	34,152,400	1 January 2020	20 November 2025	No
The Company	Tibet Yulong (Note XII.2 (Note 1))	1,587,080,000	9 September 2019	8 September 2034	No
The Company	Fujian Rare Earth (Note XII.2)	40,981,250	14 October 2019	14 October 2022	Yes
The Company	Fujian Rare Earth (Note XII.2)	22,410,000	18 January 2019	17 January 2022	Yes
The Company	Fujian Rare Earth (Note XII.2)	16,703,750	11 December 2019	10 December 2022	Yes
The Company	Fujian Rare Earth (Note XII.2)	80,095,000	23 June 2020	22 June 2022	Yes
The Company	Fujian Rare Earth (Note XII.2)	47,583,900	12 May 2021	12 May 2024	Yes
The Company	Fujian Rare Earth (Note XII.2)	18,882,500	15 June 2021	15 June 2022	Yes
The Company	Fujian Rare Earth (Note XII.2)	22,775,200	18 June 2021	18 June 2024	Yes
The Company	Fujian Rare Earth (Note XII.2)	41,500,000	1 July 2021	1 July 2024	Yes
The Company	Fujian Rare Earth (Note XII.2)	29,050,000	30 December 2021	30 December 2022	Yes
The Company	Fujian Rare Earth (Note XII.2)	82,170,000	17 May 2021	24 May 2024	Yes
The Company	Fujian Rare Earth (Note XII.2)	41,500,000	17 May 2021	17 May 2024	Yes
The Company	Fujian Rare Earth (Note XII.2)	62,250,000	24 June 2021	24 June 2022	Yes
The Company	Fujian Rare Earth (Note XII.2)	40,670,000	24 June 2021	24 June 2022	Yes
The Company	Fujian Rare Earth (Note XII.2)	16,600,000	31 May 2021	31 May 2022	Yes
The Company	Fujian Rare Earth (Note XII.2)	24,900,000	1 June 2021	31 May 2022	Yes

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) Related party guarantees *(continued)*

(2) The Group's provision of guarantees for bank loans of related parties *(continued)*

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)	91,581,000	18 February 2020	30 November 2021	Yes
The Company	Evergreen New Energy (Note XII.2 (Note 2))	44,502,000	1 January 2020	20 November 2025	No
The Company	Tibet Yulong (Note XII.2 (Note 1))	1,565,141,600	9 September 2019	8 September 2034	No
The Company	Fujian Rare Earth (Note XII.2)	40,981,250	14 October 2019	14 October 2022	No
The Company	Fujian Rare Earth (Note XII.2)	22,410,000	18 January 2019	17 January 2022	No
The Company	Fujian Rare Earth (Note XII.2)	16,703,750	11 December 2019	10 December 2022	No
The Company	Fujian Rare Earth (Note XII.2)	80,095,000	23 June 2020	22 June 2022	No
The Company	Fujian Rare Earth (Note XII.2)	47,583,900	12 May 2021	12 May 2024	No
The Company	Fujian Rare Earth (Note XII.2)	18,882,500	15 June 2021	15 June 2022	No
The Company	Fujian Rare Earth (Note XII.2)	22,775,200	18 June 2021	18 June 2024	No
The Company	Fujian Rare Earth (Note XII.2)	41,500,000	1 July 2021	1 July 2024	No
The Company	Fujian Rare Earth (Note XII.2)	29,050,000	30 December 2021	30 December 2022	No
The Company	Fujian Rare Earth (Note XII.2)	82,170,000	17 May 2021	24 May 2024	No
The Company	Fujian Rare Earth (Note XII.2)	41,500,000	17 May 2021	17 May 2024	No
The Company	Fujian Rare Earth (Note XII.2)	62,250,000	24 June 2021	24 June 2022	No
The Company	Fujian Rare Earth (Note XII.2)	40,670,000	24 June 2021	24 June 2022	No
The Company	Fujian Rare Earth (Note XII.2)	16,600,000	31 May 2021	31 May 2022	No
The Company	Fujian Rare Earth (Note XII.2)	24,900,000	1 June 2021	31 May 2022	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)***(D) Borrowings from/Loans to related parties**

Borrowings from related parties

2022

Lender	Note	Amount of borrowings	Inception date	Due date	Annual interest rate	Nature
CLAI	Note 2	22,109,937	16 November 2021	16 November 2026	10%	Loan
CLAI	Note 2	49,544,004	2 December 2021	2 December 2026	10%	Loan
CLAI	Note 2	214,444,199	18 March 2022	17 March 2027	10%	Loan
ZLCFL	Note 3	90,438,738	22 December 2020	22 December 2025	10%	Loan
Tech-Resources (Hong Kong)	Note 4	458,210,342			5.60%/10%	Loan
Canoca	Note 5	92,563,098	30 September 2019	31 December 2024	5.60%/10%	Loan
Tongling Nonferrous Metals	Note 6	7,000,000	26 September 2011	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	7,000,000	16 April 2012	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	85,050,000	20 June 2012	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	7,000,000	18 January 2013	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	10,500,000	31 October 2013	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	4,200,000	31 July 2014	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	3,500,000	31 January 2015	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	4,900,000	11 May 2015	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	5,425,000	16 June 2015	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	4,445,000	15 December 2015	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	16,548,000	25 March 2016	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	11,900,000	15 May 2017	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	4,550,000	1 November 2017	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	7,000,000	30 November 2017	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	15,235,500	6 August 2019	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	8,600,000	1 January 2020	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	9,400,000	1 January 2021	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	10,082,041	1 January 2022	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	10,560,938				
C&D Inc.	Note 7	62,227,200	26 September 2011	31 December 2023	4.35%	Loan
C&D Inc.	Note 7	2,780,000	1 November 2017	31 December 2023	4.35%	Loan
C&D Inc.	Note 7	2,600,000	1 November 2017	31 December 2023	4.35%	Loan
C&D Inc.	Note 7	4,000,000	8 December 2017	31 December 2023	4.35%	Loan
C&D Inc.	Note 7	6,094,200	6 August 2019	31 December 2023	4.35%	Loan
C&D Inc.	Note 7	3,440,000	1 January 2020	31 December 2023	4.35%	Loan
C&D Inc.	Note 7	3,760,000	1 January 2021	31 December 2023	4.35%	Loan
C&D Inc.	Note 7	4,032,817	1 January 2022	31 December 2023	4.35%	Loan
C&D Inc.	Note 7	4,224,375				
Wuping Zijin Hydropower	Note 8	6,146,842	Not applicable	Not applicable	0.35%	Deposit taking
Evergreen New Energy	Note 8	678,347	Not applicable	Not applicable	0.35%	Deposit taking
Fujian Longhu Fishery	Note 8	456,389	Not applicable	Not applicable	0.35%	Deposit taking
Zisen Supply Chain	Note 8	168,373	Not applicable	Not applicable	0.35%	Deposit taking
Ting River Hydropower	Note 8	141,677	Not applicable	Not applicable	0.35%	Deposit taking
Wengfu Zijin	Note 8	2,004	Not applicable	Not applicable	0.35%	Deposit taking
Southwest Zijin Gold	Note 8	840	Not applicable	Not applicable	0.35%	Deposit taking
		1,260,959,861				

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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) Borrowings from/Loans to related parties *(continued)*

Borrowings from related parties *(continued)*

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	Note 2	94,925,767	22 April 2020	22 April 2022	10%	Loan
CLAI	Note 2	64,560,522	16 November 2021	16 November 2026	10%	Loan
CLAI	Note 2	43,068,296	2 December 2021	2 December 2026	10%	Loan
ZLCFL	Note 3	153,261,925	22 December 2020	22 December 2025	10%	Loan
ZLCFL	Note 3	102,308,309	22 December 2020	22 December 2022	5.50%	Loan
Tech-Resources (Hong Kong)	Note 4	329,188,292			5.60%/10%	Loan
Canoca	Note 5	59,168,854	30 September 2019	31 December 2024	5.60%/10%	Loan
Tongling Nonferrous Metals	Note 6	7,000,000	26 September 2011	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	7,000,000	16 April 2012	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	85,050,000	20 June 2012	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	7,000,000	18 January 2013	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	10,500,000	31 October 2013	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	4,200,000	31 July 2014	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	3,500,000	31 January 2015	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	4,900,000	11 May 2015	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	5,425,000	16 June 2015	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	4,445,000	15 December 2015	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	16,548,000	25 March 2016	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	11,900,000	15 May 2017	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	4,550,000	1 November 2017	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	7,000,000	30 November 2017	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	15,235,500	6 August 2019	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	8,600,000	1 January 2020	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	9,400,000	1 January 2021	31 December 2023	4.75%	Loan
Tongling Nonferrous Metals	Note 6	10,082,041				
C&D Inc.	Note 7	62,227,200	26 September 2011	31 December 2023	4.35%	Loan
C&D Inc.	Note 7	2,780,000	1 November 2017	31 December 2023	4.35%	Loan
C&D Inc.	Note 7	2,600,000	1 November 2017	31 December 2023	4.35%	Loan
C&D Inc.	Note 7	4,000,000	8 December 2017	31 December 2023	4.35%	Loan
C&D Inc.	Note 7	6,094,200	6 August 2019	31 December 2023	4.35%	Loan
C&D Inc.	Note 7	3,440,000	1 January 2020	31 December 2023	4.35%	Loan
C&D Inc.	Note 7	3,760,000	1 January 2021	31 December 2023	4.35%	Loan
C&D Inc.	Note 7	4,032,817				
Wengfu Zijin	Note 8	12,000,671	Not applicable	Not applicable	0.35%	Deposit taking
Ting River Hydropower	Note 8	1,242,015	Not applicable	Not applicable	0.35%	Deposit taking
Wuping Zijin Hydropower	Note 8	517,852	Not applicable	Not applicable	0.35%	Deposit taking
Makeng Mining	Note 8	414,599	Not applicable	Not applicable	0.35%	Deposit taking
Fujian Longhu Fishery	Note 8	407,916	Not applicable	Not applicable	0.35%	Deposit taking
Zisen Supply Chain	Note 8	190,991	Not applicable	Not applicable	0.35%	Deposit taking
Evergreen New Energy	Note 8	21,527	Not applicable	Not applicable	0.35%	Deposit taking
Southwest Zijin Gold	Note 8	837	Not applicable	Not applicable	0.35%	Deposit taking

1,184,608,131

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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) Borrowings from/Loans to related parties** *(continued)*

Loans to related parties

2022

Borrower	Note	Amount of loans	Inception date	Due date	Annual interest rate
Gold Eagle Mining	Note 9	261,427,389	30 June 2015	30 June 2023	LIBOR+2.60%
Gold Eagle Mining	Note 9	445,133,123	15 May 2017	31 August 2023	LIBOR+2.60%
Longyan Zijin AVIC	Note 10	409,640,000	18 March 2016	16 March 2023	6.50%
Kamoa	Note 11	1,261,685,969	8 December 2015	–	LIBOR+7%
Kamoa	Note 11	34,822,991	2 January 2016	–	LIBOR+7%
Kamoa	Note 11	53,802,051	15 March 2016	–	LIBOR+7%
Kamoa	Note 11	142,725,512	15 August 2016	–	LIBOR+7%
Kamoa	Note 11	131,162,287	14 October 2016	–	LIBOR+7%
Kamoa	Note 11	79,027,073	21 December 2016	–	LIBOR+7%
Kamoa	Note 11	24,460,393	24 January 2017	–	LIBOR+7%
Kamoa	Note 11	24,460,393	22 February 2017	–	LIBOR+7%
Kamoa	Note 11	31,731,796	24 March 2017	–	LIBOR+7%
Kamoa	Note 11	13,441,696	31 March 2017	–	LIBOR+7%
Kamoa	Note 11	28,872,745	24 April 2017	–	LIBOR+7%
Kamoa	Note 11	78,560,390	24 May 2017	–	LIBOR+7%
Kamoa	Note 11	34,179,657	31 July 2017	–	LIBOR+7%
Kamoa	Note 11	91,946,696	31 August 2017	–	LIBOR+7%
Kamoa	Note 11	51,990,399	31 August 2017	–	LIBOR+7%
Kamoa	Note 11	58,357,622	30 September 2017	–	LIBOR+7%
Kamoa	Note 11	50,567,455	31 October 2017	–	LIBOR+7%
Kamoa	Note 11	57,093,186	30 November 2017	–	LIBOR+7%
Kamoa	Note 11	9,614,551	25 January 2018	–	LIBOR+7%
Kamoa	Note 11	33,814,887	23 February 2018	–	LIBOR+7%
Kamoa	Note 11	38,242,386	6 April 2018	–	LIBOR+7%
Kamoa	Note 11	18,493,927	23 April 2018	–	LIBOR+7%
Kamoa	Note 11	48,603,514	24 May 2018	–	LIBOR+7%
Kamoa	Note 11	24,937,378	6 August 2018	–	LIBOR+7%
Kamoa	Note 11	58,167,322	23 August 2018	–	LIBOR+7%
Kamoa	Note 11	32,360,504	25 September 2018	–	LIBOR+7%
Kamoa	Note 11	138,659,990	25 October 2018	–	LIBOR+7%
Kamoa	Note 11	83,111,023	23 November 2018	–	LIBOR+7%
Kamoa	Note 11	98,868,079	21 February 2019	–	LIBOR+7%
Kamoa	Note 11	47,461,334	11 April 2019	–	LIBOR+7%
Kamoa	Note 11	117,451,814	26 April 2019	–	LIBOR+7%
Kamoa	Note 11	113,433,986	23 May 2019	–	LIBOR+7%
Kamoa	Note 11	147,768,069	26 July 2019	–	LIBOR+7%
Kamoa	Note 11	123,166,545	6 August 2019	–	LIBOR+7%
Kamoa	Note 11	141,429,888	22 August 2019	–	LIBOR+7%
Kamoa	Note 11	52,441,161	25 September 2019	–	LIBOR+7%
Kamoa	Note 11	74,880,923	25 October 2019	–	LIBOR+7%

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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) Borrowings from/Loans to related parties *(continued)*

Loans to related parties *(continued)*

2022 *(continued)*

Borrower	Note	Amount of loans	Inception date	Due date	Annual interest rate
Kamoa	Note 11	228,747,584	22 November 2019	–	LIBOR+7%
Kamoa	Note 11	263,090,624	30 December 2019	–	LIBOR+7%
Kamoa	Note 11	236,399,498	23 January 2020	–	LIBOR+7%
Kamoa	Note 11	26,682,024	28 February 2020	–	LIBOR+7%
Kamoa	Note 11	174,696,591	25 March 2020	–	LIBOR+7%
Kamoa	Note 11	95,905,130	24 April 2020	–	LIBOR+7%
Kamoa	Note 11	219,731,271	22 May 2020	–	LIBOR+7%
Kamoa	Note 11	242,662,733	23 June 2020	–	LIBOR+7%
Kamoa	Note 11	278,746,936	23 July 2020	–	LIBOR+7%
Kamoa	Note 11	178,778,117	24 August 2020	–	LIBOR+7%
Kamoa	Note 11	199,727,893	25 September 2020	–	LIBOR+7%
Kamoa	Note 11	158,512,069	23 October 2020	–	LIBOR+7%
Kamoa	Note 11	348,229,913	20 November 2020	–	LIBOR+7%
Kamoa	Note 11	161,347,281	28 December 2020	–	LIBOR+7%
Kamoa	Note 11	182,758,886	29 January 2021	–	LIBOR+7%
Kamoa	Note 11	210,199,020	23 February 2021	–	LIBOR+7%
Kamoa	Note 11	94,820,672	25 March 2021	–	LIBOR+7%
Kamoa	Note 11	145,253,891	23 April 2021	–	LIBOR+7%
Kamoa	Note 11	255,846,139	25 May 2021	–	LIBOR+7%
Kamoa	Note 11	174,277,844	24 August 2021	–	LIBOR+7%
Kamoa	Note 11	3,170,890,270			
Wengfu Zijin	Note 12	50,000	Not applicable	Not applicable	Not applicable
Evergreen New Energy	Note 13	38,545,700	29 April 2022	28 April 2023	3.80%
Evergreen New Energy	Note 13	50,059,350	27 September 2022	26 September 2024	3.95%
Evergreen New Energy	Note 13	93,655	Not applicable	Not applicable	Not applicable
Sinotech	Note 14	26,795,068	25 September 2022	24 September 2023	8%/12%
Sinotech	Note 14	47,175	Not applicable	Not applicable	Not applicable
		11,930,891,438			

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

RMB

*(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) Borrowings from/Loans to related parties** *(continued)*Loans to related parties *(continued)*

2021

Borrower	Note	Amount of loans	Inception date	Due date	Annual interest rate
Gold Eagle Mining	Note 9	233,620,211	30 June 2015	30 June 2023	LIBOR+2.60%
Gold Eagle Mining	Note 9	397,785,766	15 May 2017	31 August 2023	LIBOR+2.60%
Longyan Zijin AVIC	Note 10	409,640,000	18 March 2016	16 March 2023	6.50%
Kamoa	Note 11	1,155,003,076	8 December 2015	–	LIBOR+7%
Kamoa	Note 11	31,878,505	2 January 2016	–	LIBOR+7%
Kamoa	Note 11	49,252,774	15 March 2016	–	LIBOR+7%
Kamoa	Note 11	130,657,239	15 August 2016	–	LIBOR+7%
Kamoa	Note 11	120,071,752	14 October 2016	–	LIBOR+7%
Kamoa	Note 11	72,344,874	21 December 2016	–	LIBOR+7%
Kamoa	Note 11	22,392,125	24 January 2017	–	LIBOR+7%
Kamoa	Note 11	22,392,125	22 February 2017	–	LIBOR+7%
Kamoa	Note 11	29,048,688	24 March 2017	–	LIBOR+7%
Kamoa	Note 11	12,305,122	31 March 2017	–	LIBOR+7%
Kamoa	Note 11	26,431,386	24 April 2017	–	LIBOR+7%
Kamoa	Note 11	71,917,651	24 May 2017	–	LIBOR+7%
Kamoa	Note 11	31,289,568	31 July 2017	–	LIBOR+7%
Kamoa	Note 11	84,172,067	31 August 2017	–	LIBOR+7%
Kamoa	Note 11	47,594,308	31 August 2017	–	LIBOR+7%
Kamoa	Note 11	53,423,146	30 September 2017	–	LIBOR+7%
Kamoa	Note 11	46,291,682	31 October 2017	–	LIBOR+7%
Kamoa	Note 11	52,265,624	30 November 2017	–	LIBOR+7%
Kamoa	Note 11	8,801,585	25 January 2018	–	LIBOR+7%
Kamoa	Note 11	30,955,641	23 February 2018	–	LIBOR+7%
Kamoa	Note 11	35,008,770	6 April 2018	–	LIBOR+7%
Kamoa	Note 11	16,930,157	23 April 2018	–	LIBOR+7%
Kamoa	Note 11	44,493,804	24 May 2018	–	LIBOR+7%
Kamoa	Note 11	22,828,777	6 August 2018	–	LIBOR+7%
Kamoa	Note 11	53,248,936	23 August 2018	–	LIBOR+7%
Kamoa	Note 11	29,624,235	25 September 2018	–	LIBOR+7%
Kamoa	Note 11	126,935,481	25 October 2018	–	LIBOR+7%
Kamoa	Note 11	76,083,503	23 November 2018	–	LIBOR+7%
Kamoa	Note 11	90,508,207	21 February 2019	–	LIBOR+7%
Kamoa	Note 11	43,448,202	11 April 2019	–	LIBOR+7%
Kamoa	Note 11	107,520,579	26 April 2019	–	LIBOR+7%
Kamoa	Note 11	103,842,482	23 May 2019	–	LIBOR+7%
Kamoa	Note 11	135,273,419	26 July 2019	–	LIBOR+7%
Kamoa	Note 11	112,752,097	6 August 2019	–	LIBOR+7%
Kamoa	Note 11	129,471,167	22 August 2019	–	LIBOR+7%
Kamoa	Note 11	48,006,956	25 September 2019	–	LIBOR+7%
Kamoa	Note 11	68,549,305	25 October 2019	–	LIBOR+7%
Kamoa	Note 11	209,405,644	22 November 2019	–	LIBOR+7%
Kamoa	Note 11	240,844,780	30 December 2019	–	LIBOR+7%

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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) Borrowings from/Loans to related parties *(continued)*

Loans to related parties *(continued)*

2021 *(continued)*

Borrower	Note	Amount of loans	Inception date	Due date	Annual interest rate
Kamoa	Note 11	216,410,544	23 January 2020	–	LIBOR+7%
Kamoa	Note 11	24,425,903	28 February 2020	–	LIBOR+7%
Kamoa	Note 11	159,924,977	25 March 2020	–	LIBOR+7%
Kamoa	Note 11	87,795,793	24 April 2020	–	LIBOR+7%
Kamoa	Note 11	201,151,713	22 May 2020	–	LIBOR+7%
Kamoa	Note 11	222,144,186	23 June 2020	–	LIBOR+7%
Kamoa	Note 11	255,177,260	23 July 2020	–	LIBOR+7%
Kamoa	Note 11	163,661,387	24 August 2020	–	LIBOR+7%
Kamoa	Note 11	182,839,737	25 September 2020	–	LIBOR+7%
Kamoa	Note 11	145,108,951	23 October 2020	–	LIBOR+7%
Kamoa	Note 11	318,785,046	20 November 2020	–	LIBOR+7%
Kamoa	Note 11	147,704,429	28 December 2020	–	LIBOR+7%
Kamoa	Note 11	167,305,559	29 January 2021	–	LIBOR+7%
Kamoa	Note 11	192,425,470	23 February 2021	–	LIBOR+7%
Kamoa	Note 11	86,803,032	25 March 2021	–	LIBOR+7%
Kamoa	Note 11	132,971,829	23 April 2021	–	LIBOR+7%
Kamoa	Note 11	234,212,859	25 May 2021	–	LIBOR+7%
Kamoa	Note 11	159,541,638	24 August 2021	–	LIBOR+7%
Kamoa	Note 11	1,938,232,984			
Wengfu Zijin	Note 12	50,062,639	15 June 2021	14 June 2022	4.10%
Wengfu Zijin	Note 12	14,017,539	25 November 2021	24 November 2022	4.10%
Wengfu Zijin	Note 12	50,000	Not applicable	Not applicable	Not applicable
Evergreen New Energy	Note 13	20,023,528	11 August 2021	10 August 2022	3.85%
Evergreen New Energy	Note 13	50,058,819	27 August 2021	26 August 2022	3.85%
Evergreen New Energy	Note 13	34,508	Not applicable	Not applicable	Not applicable
Sinotech	Note 14	36,063,841	25 January 2021	24 September 2022	8%/12%
		10,041,245,587			

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 31 December 2022, the loan was repaid.

Note 2: In 2020, CLAI entered into an agreement with Zijin America, a subsidiary of the Group, to provide Zijin America with a loan with a principal of USD17,400,000. The loan period was from 22 April 2020 to 22 April 2022. The loan was interest-bearing at 10% and unsecured. The loan was repaid in 2022; in 2021, CLAI entered into two agreements again with Zijin America to provide Zijin America with a loan with a principal of USD10,000,000. The loan period is from 16 November 2021 to 16 November 2026. The loan is interest-bearing at 10% and unsecured. The Company had repaid USD7,010,000 in 2022. As at 31 December 2022, the total amount of principal and interest was USD3,174,618, equivalent to RMB22,109,937; CLAI provided Zijin America with another loan with a principal of USD6,700,000 for a loan period from 2 December 2021 to 2 December 2026. The loan is interest-bearing at 10% and unsecured. As at 31 December 2022, the total amount of principal and interest was USD7,113,692, equivalent to RMB49,544,004. In 2022, Zijin America entered into an agreement with CLAI. CLAI provided Zijin America with a loan with a principal of USD29,000,000 for a loan period from 18 March 2022 to 17 March 2027. The loan is interest-bearing at 10% and unsecured. As at 31 December 2022, the total amount of principal and interest was USD30,790,606, equivalent to RMB214,444,199.

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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) Borrowings from/Loans to related parties *(continued)*

Loans to related parties *(continued)*

- Note 3: ZLCFL and Zijin America, a subsidiary of the Group, entered into two loan agreements in 2020: one was a loan provided for Zijin America with a principal of USD20,000,000 for a loan period from 22 December 2020 to 22 December 2025. The loan is interest-bearing at 10% and unsecured. The total principal repaid in the year was USD3,050,000. As at 31 December 2022, the total amount of principal and interest was USD12,985,476, equivalent to RMB90,438,738; another loan was provided to Zijin America with a principal of USD30,000,000 for a loan period from 22 December 2020 to 22 December 2022. The loan was interest-bearing at 5.5% and unsecured. The loan was repaid in 2022.
- Note 4: CARRILU, a subsidiary of the Group, signed a loan agreement with Tech-Resources (Hong Kong). The due date of the loan was not specified. The loan was interest-bearing at 10% and unsecured. In 2021, both parties adjusted the interest rate to 5.6%. As at 31 December 2022, the total amount of principal and interest of the loan was USD65,791,336, equivalent to RMB458,210,342 (31 December 2021: the total amount of principal and interest of the loan was USD51,631,710, equivalent to RMB329,188,292).
- Note 5: In 2019, CARRILU, a subsidiary of the Group, signed a loan agreement with Canoca for a loan period from 30 September 2019 to 31 December 2022. The loan was interest-bearing at 10% and unsecured. In 2021, both parties signed an interest rate adjustment and extension agreement. The interest rate from 1 January 2022 to 31 December 2022 was 5.6% and the loan period was extended to 31 December 2024. As at 31 December 2022, the total amount of principal and interest was USD13,290,512, equivalent to RMB92,563,098 (as at 31 December 2021, the total amount of principal and interest of the loan was USD9,280,368, equivalent to RMB59,168,854).
- Note 6: Since 2011, Xiamen Tongguan, a subsidiary of the Group, has signed loan agreements with Tongling Nonferrous Metals. The loans are unsecured. As at 31 December 2022, the total amount of principal and interest of the loans was RMB232,896,479 (31 December 2021: RMB222,335,541).
- Note 7: Since 2011, Xiamen Tongguan, a subsidiary of the Group, has signed loan agreements with C&D Inc. The loans are unsecured. As at 31 December 2022, the total amount of principal and interest of the loans was RMB93,158,592 (31 December 2021: RMB88,934,217).
- Note 8: Such borrowings from related parties represent the deposits received by Zijin Finance, a subsidiary of the Group, from related parties for providing deposit service to related parties. The annual interest rate for the time deposits was 0.35%. As at 31 December 2022, the deposits received from related parties was RMB7,594,472 in total (31 December 2021: RMB14,796,408).
- Note 9: 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 with a principal of USD22,680,000 to Gold Eagle Mining which was extended to 30 June 2023. As at 31 December 2022, the total amount of principal and interest of the loan was USD37,536,607, equivalent to RMB261,427,389 (31 December 2021: USD36,642,279, equivalent to RMB233,620,211). 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 31 December 2022, the total amount of principal and interest of the loan was USD63,913,683, equivalent to RMB445,133,123 (31 December 2021: USD62,390,907, equivalent to RMB397,785,766). 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 Co., Ltd. ("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 two loans were both unsecured with an interest rate of the one-year LIBOR+2.60%.
- Note 10: 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 6.5% per annum and the maturity date of the loan was extended to 16 March 2023 in year 2020. As at 31 December 2022, the total amount of principal and interest of the loan was RMB409,640,000. In 2017, the Company made bad debt provision of RMB153,203,515 for the loan provided to Longyan Zijin AVIC. In 2022, the Company made bad debt provision of RMB53,252,548 for the loan provided to Longyan Zijin AVIC.

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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) Borrowings from/Loans to related parties *(continued)*

Loans to related parties *(continued)*

Note 11: Pursuant to the stipulations of equity transfer agreement for acquisition of Kamoia in 2015, part of the original shareholders' loans to Kamoia in the amount of USD181,157,035, equivalent to RMB1,261,685,969, was transferred to the Group's subsidiary, Gold Mountains (H.K.) (31 December 2021: RMB1,155,003,076). These loans were unsecured with an interest rate of the one-year LIBOR+7%. The Company and Kamoia agreed that these loans would be repaid with Kamoia's future operating cash flows. Starting from 2016, Kamoia's working capital has been funded by each of its shareholders in proportion to their respective shareholdings. As at 31 December 2022, Gold Mountains (H.K.) had provided loans with a total principal of USD1,080,925,193 for Kamoia's working capital, equivalent to RMB7,528,209,708. The total amount of interest receivables was USD455,286,889, equivalent to RMB3,170,890,270 (31 December 2021: the total principal of the loan was USD1,080,925,193, equivalent to RMB6,891,655,752. The total amount of interest receivables was USD304,003,122, equivalent to RMB1,938,232,984). The aforesaid loans were unsecured with an interest rate of the one-year LIBOR+7%. Both parties agreed that these loans would be repaid with Kamoia's future operating cash flows.

Note 12: In June 2021, Zijin Finance, a subsidiary of the Group, provided a loan of RMB50,000,000 to Wengfu Zijin, an associate of the Group. The loan was repaid in 2022. Zijin Finance provided a loan of RMB14,000,000 to Wengfu Zijin in November 2021 and the loan was repaid in 2022. Besides, the subsidiaries of the Group made advance payments on behalf of Wengfu Zijin, an associate, and the outstanding balance as at 31 December 2022 was RMB50,000.

Note 13: In August 2021, Zijin Finance, a subsidiary of the Group, provided a loan of RMB70,000,000 to Evergreen New Energy, an associate of the Group. The loan was repaid in 2022. Zijin Finance provided a loan of RMB38,500,000 to Evergreen New Energy on 29 April 2022. As at 31 December 2022, the total amount of principal and interest of the loan was RMB38,545,700. The loan will mature in April 2023. Zijin Finance provided a loan of RMB50,000,000 to Evergreen New Energy, an associate, on 27 September 2022. As at 31 December 2022, the total amount of principal and interest of the loan was RMB50,059,350. The loan will mature in September 2024. Besides, the subsidiaries of the Group made advance payments on behalf of Evergreen New Energy, an associate, and the outstanding balance as at 31 December 2022 was RMB93,655 (31 December 2021: RMB34,508).

Note 14: Sino-Zijin, a subsidiary of the Group, provided a loan of RMB35,000,000 to Sinotech, an associate of the Group, in January 2021. The loan was interest-bearing at 8%. Sinotech pledged the equity interest in SinoTech (Hong Kong) Corporation Limited. The loan matured in September 2021. After the loan matured, the two parties signed an extension agreement to extend the loan period to 24 September 2022, the interest rate was 12%. After the loan matured on 24 September 2022, the two parties signed an extension agreement to extend the loan period to 24 September 2023, the interest rate was 12%. As at 31 December 2022, the total amount of principal and interest was RMB26,795,068. Besides, the subsidiaries of the Group made advance payments on behalf of Sinotech, an associate, and the outstanding balance as at 31 December 2022 was RMB47,175 (31 December 2021: Nil).

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)***(E) Other major related party transactions**

- (1) Compensation of key management and remuneration of directors accrued during the year

	2022	2021
Remuneration of directors	64,775,069	62,204,382
Compensation of key management	64,880,492	28,330,012
	129,655,561	90,534,394

Details of remuneration of directors are disclosed in Note XIV.3.

- (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

Fujian Zijin Copper Foil Technology Co., Ltd., a subsidiary of the Group, conducted capital increase and expansion in July 2022. All shareholders made capital contribution in an aggregate amount of RMB501.88 million. Among which, Zijin Mining Group South Investment Co., Ltd., a subsidiary of the Group, invested RMB260 million and holds 60% equity interest. Minxi Xinghang, the substantial shareholder of the Group, invested RMB60 million and holds 20% equity interest. Zhejiang Transfar Chemicals Group Co., Ltd. invested RMB181.88 million and holds 20% equity interest. The industrial and commercial registration in relation to the capital increase and expansion was completed in September 2022.

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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

	31 December 2022		31 December 2021	
	Carrying amount	Bad debt provision	Carrying amount	Bad debt provision
Trade receivables				
Kamoa Copper	103,343,881	312,848	101,073,407	303,220
Zisen (HK)	18,435,737	55,307	43,849,434	131,548
Wengfu Zijin	9,418,341	59,626	4,806,947	14,421
Zisen Supply Chain	–	–	23,322,410	69,967
Xinjiang Tianlong	–	–	8,028,165	24,084
Others	5,701,015	277,149	–	–
	136,898,974	704,930	181,080,363	543,240
Receivables financing				
Zisen Supply Chain	630,004,591	2,318,188	351,982,108	–
Wuxin Copper	98,518,000	–	–	–
Science	2,827,300	–	–	–
	731,349,891	2,318,188	351,982,108	–
Prepayments				
Kamoa Copper	227,080,969	–	–	–
Zisen Supply Chain	147,283,720	–	–	–
Wancheng Commercial	30,649,489	–	20,193,748	–
Others	18,476,623	–	5,914	–
	423,490,801	–	20,199,662	–
Other receivables				
Mineral Resources Enga Limited	67,615,068	67,615	39,346,185	39,346
Evergreen New Energy	38,639,355	38,639	70,116,855	70,117
Sinotech	26,842,243	26,842	36,063,841	36,064
Wengfu Zijin	50,000	50	64,130,178	64,130
Others	2,717,284	2,718	–	–
	135,863,950	135,864	209,657,059	209,657
Contract assets				
Xi'an Lude Real Estate Co., Ltd.	597,600	5,976	–	–
Other non-current assets				
Kamoa	10,833,249,626	–	8,829,888,736	–
Gold Eagle Mining	706,560,512	–	631,405,977	–
Longyan Zijin AVIC	409,640,000	206,456,063	409,640,000	153,203,515
Evergreen New Energy	50,059,350	–	–	–
Science	11,507,903	–	–	–
	12,011,017,391	206,456,063	9,870,934,713	153,203,515

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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

	31 December 2022	31 December 2021
Bills payable		
Zisen Supply Chain	698,205,268	–
Xinjiang Tianhe	21,183,108	–
Others	882,586	–
	720,270,962	–
Trade payables		
Xinjiang Tianhe	25,315,933	–
Kamoa Copper	12,908,041	650,626,864
Clear Edge Filtration	8,926,411	–
Evergreen New Energy	7,166,750	–
Jiayou International	5,311,387	–
Libo Heavy Industries	3,458,976	61,418,426
Explosive Co.	–	43,427,969
Others	33,690,402	–
	96,777,900	755,473,259
Contract liabilities		
Zisen Supply Chain	3,569,867	–
Makeng Mining	1,228,500	–
Others	904,497	–
	5,702,864	–
Other payables		
Tech-Resources (Hong Kong)	458,210,342	329,188,292
Tongling Nonferrous Metals	232,896,479	222,335,541
C&D Inc.	93,158,592	88,934,217
Canoca	92,563,098	59,168,854
Mr. Zhu	29,672,233	29,672,233
Wancheng Commercial	3,105	86,325,000
Eritrean National Mining Corporation	–	86,071,963
Others	125,936,102	13,764,911
	1,032,439,951	915,461,011

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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 *(continued)*

	31 December 2022	31 December 2021
Current portion of non-current liabilities		
Wancheng Commercial	28,775,000	–
Minxi Xinghang	–	2,800,000
ZLCFL	–	102,011,215
CLAI	–	93,187,245
	28,775,000	197,998,460
Long-term payables		
ZLCFL	90,438,738	153,016,822
CLAI	286,098,140	102,036,718
Wancheng Commercial	–	28,775,000
Minxi Xinghang	–	9,260,000
	376,536,878	293,088,540

Except for the amounts due from Gold Eagle Mining, Evergreen New Energy, Longyan Zijin AVIC and Sinotech which were interest-bearing with a fixed term of repayment, the amount due from Kamo which was interest-bearing without a fixed term of repayment, the amount due from Sinotech which is pledged with the equity interest in SinoTech (Hong Kong) Corporation Limited, the amounts due to Minxi Xinghang, ZLCFL, Tech-Resources (Hong Kong), Tongling Nonferrous Metals, C&D Inc., Canoca and CLAI which were interest-bearing with a fixed term of repayment, amounts of deposit taking which were interest-bearing with no 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 31 December 2022.

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****1. Overview**

	2022	2021
Total amount of equity instruments granted	564,351,138	564,351,138
Total amount of equity instruments exercised	–	–
Total amount of equity instruments expired	(11,116,200)	(4,584,000)
The remaining contract term of restricted A Shares issued and outstanding at the end of the year	3 years	4 years

	2022	2021
Total amount of employee services received in exchange for share-based payment	197,019,266	197,201,480

Among which, equity-settled share-based payment is as follows:

	2022	2021
Accumulated amount of equity-settled share-based payment recognised in capital reserve	394,220,746	197,201,480
Total amount of equity-settled share-based payment recognised in expenses	197,019,266	197,201,480

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. Share-based payment scheme

- (1) Pursuant to the authorisation of the third extraordinary general meeting in 2020 held on 29 December 2020, 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 on 13 January 2021. The Company granted 97,490,000 restricted A Shares to 697 participants under the incentive scheme at the grant price of RMB4.95 per A Share. The Company issued 95,980,600 Renminbi-denominated ordinary shares (A Shares) to the actual participants under the incentive scheme (686 persons in the original participant list) on 13 January 2021 at the subscription price of RMB4.95 per A Share. The registration was completed on 28 January 2021. If the unlocking conditions of the restricted A Shares as stipulated in the scheme are met, the participants under the incentive scheme can apply to unlock the shares on 28 January 2023, 28 January 2024 and 28 January 2025, respectively, with the upper limit of 33%, 33% and 34% of the number of shares granted under the incentive scheme. If the unlocking conditions of the restricted A Shares are not met due to the failure to meet the unlocking conditions at company or individual levels, the unlocked restricted A Shares will be repurchased and cancelled by the Company at the grant price plus the bank deposit interest for the same period. The fair value of the restricted A Shares was based on the market price on 13 January 2021 of RMB10.68 per A Share and the subscription price of RMB4.95 per A Share. Taking into account the impacts of the earning restriction clause on the participants of the incentive scheme, the fair value of the restricted A Shares on the grant date was determined to be RMB5.73 per A Share.

The proposal in relation to the grant of the reserved restricted A Shares to the participants under the restricted A Share incentive scheme was considered and approved at the Company's eleventh extraordinary meeting in 2021 of the seventh term of the Board on 15 November 2021. The Company proposed to grant 2,510,000 restricted A Shares to 39 participants under the incentive scheme in the second batch of participant list at the grant price of RMB4.83 per A Share. On 15 November 2021, the Company issued 2,510,000 Renminbi-denominated ordinary shares (A Shares) to the 39 actual participants under the incentive scheme at the subscription price of RMB4.83 per A Share. The registration was completed on 8 December 2021. If the unlocking conditions for the restricted A Shares as stipulated in the scheme are met, the participants under the incentive scheme can apply to unlock the shares on 8 December 2023, 8 December 2024 and 8 December 2025, respectively with the upper limit of 33%, 33% and 34% of the number of shares granted under the incentive scheme, respectively. If the unlocking conditions of the restricted A Shares are not met due to the failure to meet the unlocking conditions at company or individual levels, the unlocked restricted A Shares will be repurchased and cancelled by the Company at the grant price plus the bank deposit interest for the same period. The fair value of the restricted A Shares was based on the market price on 15 November 2021 of RMB10.56 per A Share and the subscription price of RMB4.83 per A Share. Taking into account the impacts of the earning restriction clause on the participants of the incentive scheme, the fair value of the restricted A Shares on the grant date was determined to be RMB5.73 per A Share.

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. Share-based payment scheme *(continued)*

- (2) The proposal in relation to the repurchase and cancellation of the restricted A Shares granted to certain participants under the restricted A Share incentive scheme and the adjustment of repurchase price was considered and approved at the Company's eleventh extraordinary meeting of the seventh term of the Board on 15 November 2021. Due to resignation, certain participants under the first grant of the restricted A Share incentive scheme no longer satisfied the stipulations relating to the participants in the conditions of grant. The Company repurchased and cancelled a total of 800,000 restricted A Shares granted but not yet unlocked held by the 7 resigned participants under the incentive scheme. For the reason that the implementation of the Company's profit distribution proposal for the year ended 31 December 2020 had been completed and the Company had paid a final cash dividend of RMB0.12 per share, the repurchase price of the restricted A Shares was adjusted from RMB4.95 per A Share to RMB4.83 per A Share. The Company settled the amount for the repurchase at the price based on the contract terms on 30 November 2021. The registrations of the cancellation were completed on 17 January 2022.
- (3) The proposal in relation to the repurchase and cancellation of the restricted A Shares granted to certain participants under the restricted A Share incentive scheme for 2020 and the adjustment of repurchase price was considered and approved at the nineteenth extraordinary meeting in 2022 of the seventh term of the Board and the second extraordinary meeting in 2022 of the seventh term of the Supervisory Committee of the Company on 21 November 2022. Due to resignation, certain participants under the first grant of the restricted A Share incentive scheme no longer satisfied the stipulations relating to the participants in the conditions of grant. The Company repurchased and cancelled a total of 1,140,000 restricted A Shares granted but not yet unlocked held by the 13 resigned participants under the incentive scheme. For the reason that the implementation of the Company's profit distribution proposal for the years ended 31 December 2020 and 31 December 2021 had been completed and the Company had paid a final cash dividend of RMB0.12 per share and RMB0.20 per share, the repurchase price of the restricted A Shares was adjusted from RMB4.95 per A Share to RMB4.63 per A Share. The Company settled the amount for the repurchase at the price based on the contract terms on 30 November 2022. As at 31 December 2022, the registrations of the repurchase and cancellation were not completed.

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. Share-based payment scheme *(continued)*

(4) Movements in restricted A Shares during the reporting period

	2022	2021
Number of restricted A Shares at the beginning of the year	97,690,600	–
Number of restricted A Shares granted in the current year	–	98,490,600
Number of restricted A Shares unlocked in the current year	–	–
Number of restricted A Shares expired in the current year	(1,140,000)	(800,000)
Number of restricted A Shares at the end of the year	96,550,600	97,690,600

The impact of restricted A Shares on the Company's financial position and operating results is analysed as follows:

	2022	2021
Total costs recognised for equity-settled share-based payment	197,019,266	197,201,480

	2022	2021
Accumulated amount of equity-settled share-based payment recognised in capital reserve	394,220,746	197,201,480

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.)***XII. COMMITMENTS AND CONTINGENCIES****1. Significant commitments**

	2022	2021
Contracted, but not provided		
Capital commitments (Note 1)	2,213,098,706	2,606,721,480
Investment commitments (Note 2)	2,439,192,200	939,612,549
Total	4,652,290,906	3,546,334,029

In addition, the Group's shares of capital commitments of associates and joint ventures, which are not included above, are as follows:

	2022	2021
Contracted, but not provided		
Capital commitments	239,657,600	963,817,236
Investment commitments	358,191,000	–

Note 1: As at 31 December 2022, the amount of capital commitments relating to acquisition and construction of property, plant, machinery and equipment and mining assets was RMB2,213,098,706 (31 December 2021: RMB2,606,721,480). Among which, the amount of capital commitments relating to acquisition and construction of property, plant, machinery and equipment and mining assets of COMMUS was RMB222,441,674 (31 December 2021: RMB155,991,981); the amount of capital commitments relating to acquisition and construction of property, plant, machinery and equipment and mining assets of Duobaoshan Copper Industry was RMB1,250,543,542 (31 December 2021: RMB807,589,257); the amount of capital commitments relating to acquisition and construction of property, plant, machinery and equipment and mining assets of Julong Copper was RMB421,316,641 (31 December 2021: RMB524,016,524); the amount of capital commitments relating to acquisition and construction of property, plant, machinery and equipment and mining assets of Ashele Copper was RMB18,423,306 (31 December 2021: RMB201,194,213); the amount of capital commitments relating to acquisition and construction of property, plant, machinery and equipment and mining assets of Heilongjiang Zijin Copper was RMB28,397,946 (31 December 2021: RMB77,777,648); the amount of capital commitments relating to acquisition and construction of property, plant, machinery and equipment and mining assets of Zijinshan Copper Mine was RMB68,767,149 (31 December 2021: RMB10,898,529)

Note 2: As at 31 December 2022, Serbia Zijin Copper had fully fulfilled its investment commitment to the Serbian government, there was no investment commitment at the end of the current year (31 December 2021: RMB939,612,549); Longking had an investment commitment of RMB2,439,192,200 (31 December 2021: RMB0) for projects related to ecological protection and intelligent manufacturing.

Note 3: As at 31 December 2022, there was no committed credit facility (31 December 2021: Nil).

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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 *(continued)*

2. Contingencies

Guarantees provided to third parties

	2022	2021
Guarantees provided to third parties		
Yulong Copper (Note 1)	1,587,141,600	1,565,141,600
Fujian Rare Earth (Group) Co., Ltd.	–	588,071,600
Evergreen New Energy (Note 2)	34,152,400	44,502,000
	1,621,294,000	2,197,715,200

Note 1: As at 31 December 2022, the outstanding balance of the syndicated loan of Yulong Copper (within the scope of guarantees provided by the Company), an associate of the Group, was RMB7,214,280,000. The Company provided a guarantee based on its 22% shareholding interest in Yulong Copper, i.e. RMB1,587,141,600.

Note 2: As at 31 December 2022, the outstanding balance of the loan from Industrial Bank Shanghang Sub-branch to Evergreen New Energy, an associate of the Company, was RMB34,152,400. The Company provided a 100% guarantee on the debt in favour of Industrial Bank Shanghang Sub-branch. As at 31 December 2022, the guarantee provided by the Company amounted to RMB34,152,400.

Extension of the special mining lease of the Porgera Gold Mine

The special mining lease (the "Mining Lease") of the Porgera Gold Mine in Papua New Guinea ("PNG") operated jointly by the Group and Barrick (PD) Australia Pty Limited expired on 16 August 2019. BNL (50% owned by the Group and 50% owned by Barrick), the principal owner (holding 95% interest of the mine) and operator of the Porgera Joint Venture, filed an application for the extension of the Mining Lease for 20 years before its expiry on 29 June 2017. On 2 August 2019, the National Court of PNG issued a ruling declaring that the Mining Lease of the Porgera Gold Mine should be subject to the Mining Act 1992 of PNG, i.e., the Porgera Gold Mine could continue the production until the relevant PNG authorities made a decision on the extension of the Mining Lease.

On 24 April 2020, the PNG Government made the decision to reject the application for the extension of the Mining Lease of Porgera. In October 2020, BNL, the prime minister of PNG, various levels of governments and stakeholders made a positive negotiation for the reopening of the Porgera Gold Mine.

On 9 April 2021, BNL signed a binding framework agreement with the PNG Government and Kumul Minerals Holdings Limited (a state-owned mining company in the PNG, "Kumul Mining"), aiming to reopen the Porgera Gold Mine.

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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 *(continued)*

2. Contingencies *(continued)*

Extension of the special mining lease of the Porgera Gold Mine *(continued)*

On 3 February 2022, BNL, the PNG Government, Kumul Mining and Mineral Resources Enga Limited (owner of the remaining 5% equity interest in Porgera Joint Venture, "MRE") entered into the Porgera project commencement agreement (the "PPCA"). The PPCA provides more details for the framework agreement, which provides that ownership of Porgera will be held 51% by PNG stakeholders (the PNG Government, Kumul Mining and MRE) and 49% by BNL. BNL remains the operator of the mine. As the Group and Barrick each holds 50% interest in BNL, the execution of the PPCA will reduce the Group's interest in the Porgera Gold Mine from 47.5% to 24.5%. The PPCA also provides that PNG stakeholders and BNL will share the economic benefits generated over the life of mine on a 53/47% basis, and the PNG Government will retain the right to acquire the remaining 49% of the Porgera Gold Mine from BNL after 10 years.

On 13 September 2022, BNL signed a shareholder's agreement in relation to a new Porgera joint venture company with Kumul Mining and MRE. This shareholders' agreement is one of a series of agreements that satisfy the execution of the PPCA.

The execution of the PPCA is also subject to satisfaction of certain specific conditions, e.g., signing of a new shareholders' agreement of Porgera Joint Venture and operatorship agreement for the Porgera Gold Mine. Meanwhile, all parties should halt all legal and conciliation proceedings previously launched. Pursuant to the terms of the Commencement Agreement, BNL shall continue to own and shall be responsible for the daily maintenance of the orebody. Currently, BNL and PNG stakeholders are actively advancing the negotiation process in order to enter into agreements and meet a series of conditions as stipulated in the PPCA.

Other agreements not concluded included operatorship agreement of the Porgera Gold Mine by BNL and the agreements for the new Porgera joint venture company to apply for a new special mining lease and mine development after its incorporation. Pursuant to the terms of the PPCA, BNL shall continue to own and be responsible for the daily maintenance of the orebody.

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.)

XII. COMMITMENTS AND CONTINGENCIES *(continued)*

2. Contingencies *(continued)*

BNL tax audit

In April 2020, BNL received a notice of assessment from the PNG Inland Revenue Commission, which required BNL to pay USD131 million (excluding penalty) of taxes for the period from the years 2006 to 2015. On 30 June 2020, BNL responded with an objection. On 2 October 2020, BNL received an adjusted notice of assessment from the Inland Revenue Commission, which required BNL to pay a total of USD485 million of taxes and penalties for the period from the years 2006 to 2015. BNL considered the tax audit adjustment issued by the PNG Inland Revenue Commission to be unwarranted, and it opposed to the adjusted tax assessment again on 30 November 2020.

The Group completed the acquisition of 50% equity interest in BNL at the end of August 2015, and a substantial part of the above-mentioned tax audit period precedes the Group's acquisition of shares in BNL. In accordance with the relevant agreements between the Group and Barrick at the time of the acquisition, potential tax liabilities incurred prior to the acquisition shall be borne by Barrick.

The exact amount of the tax audit could not be estimated at this moment due to ongoing negotiations with the PNG Government.

XIII. EVENTS AFTER THE REPORTING PERIOD

- On 18 October 2022, the Group entered into a share purchase agreement with IAMGOLD Corporation ("IMG"), a Toronto Stock Exchange listed company with head office in Toronto, Canada. The Group proposed to invest USD360 million (such amount was a base purchase price and would be adjusted according to the amounts of cash and working capital on the completion date), which was equivalent to approximately RMB2.559 billion, to acquire 95% class A shares and 100% class B shares of Rosebel Gold Mines N.V. ("RGM") held by IMG. RGM owns the Rosebel Gold Mine project in Suriname (including the Rosebel mine and the Saramacca mine). On 31 January 2023, the Group paid a consideration of USD371,532,209, equivalent to RMB2,511,706,346 in cash. Such equity interest acquisition was completed on 1 February 2023. After the completion of the transaction, the Group owns 95% equity interest in RGM.
- In March 2023, Gold Mountains (H.K.), a wholly-owned subsidiary of the Group, proposed to form a joint venture with Sino-Africa International Logistics Investment Limited ("Sino-Africa International"), a wholly-owned subsidiary of Jiayou International, to jointly invest in, construct and operate the highway from Kambululu to Dilolo and the Dilolo Land Port modernisation and transformation project in the DR Congo. The Ministry of Public Works and Infrastructure of the DR Congo granted the joint venture between Gold Mountains (H.K.) and Sino-Africa International a concession of the project with a validity period of 30 years, among which, the construction period and operation period will be 5 years and 25 years, respectively. The total investment amount of the project will be USD362,767,538.66. Gold Mountains (H.K.) and Sino-Africa International propose to invest USD177,756,093.94 and USD185,011,444.72, respectively, accounting for 49% and 51%, respectively. Both parties will make the investment contribution in cash. The project is subject to the filings or approvals by the relevant PRC governmental departments including the National Development and Reform Commission, the Ministry of Commerce and the State Administration of Foreign Exchange.

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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

1. Operating segment information

For management purposes, the Group is organised into business units based on its products and services and has eleven 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 electrolytic copper and electrodeposited copper 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) the other concentrates segment comprises, principally, the production of zinc concentrates, tungsten concentrates, lead concentrates and iron concentrates;
- (8) the zinc bullion segment engages in the production of zinc bullion;
- (9) the environmental protection segment engages in the production of dust removing and auxiliary equipment, desulphurisation and denitrification construction projects, soil restoration and other types of main products.
- (10) the trading segment engages, principally, the trading income from commodities including copper cathodes;
- (11) segment of "others" comprises, principally, sales income from sulphuric acid, copperplate, silver, iron, etc.

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 this 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)

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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)

2022

Item	Gold bullion	Processed, refined and trading gold	Gold concentrates	Electrolytic copper and electrodeposited copper	Refined copper	Copper concentrates	Copper concentrates	Other concentrates	Zinc bullion	Environmental protection	Trading	Others	Eliminations	Total
Segment revenue:														
Sales to external customers	9,459,694,460	85,252,999,476	9,120,861,504	5,780,298,038	40,986,369,938	20,180,657,986	20,180,657,986	7,725,739,389	7,095,170,141	8,122,277,380	56,011,327,951	20,593,602,196	-	270,328,998,459
Intersegment sales	1,080,305,603	15,327,271,509	2,757,666,504	1,116,258,525	150,076,769	9,176,483,256	1,763,593,640	1,763,593,640	-	2,276,303,595	64,296,621,262	19,449,926,906	(117,394,513,569)	-
Total	10,540,000,063	100,580,276,985	11,878,528,008	6,896,556,563	41,136,446,707	29,357,141,242	9,489,333,029	9,489,333,029	7,095,170,141	10,398,580,975	120,307,949,213	40,043,529,102	(117,394,513,569)	270,328,998,459
Segment profit*	1,653,919,946	39,452,159	5,995,874,557	3,400,320,952	793,007,366	16,866,423,003	3,443,014,058	3,443,014,058	265,596,882	228,011,547	410,781,414	1,113,570,557	-	34,209,974,441
Gains/(losses) on disposal of non-current assets	(2,628,288)	5,251,680	(387,885)	-	(6,170)	(42,712,269)	(378,592)	(378,592)	118,171	777,184	(82,833)	34,831,239	-	(5,217,763)
Interest and dividend income														1,374,637,853
Unallocated costs														(2,141,726,504)
Finance costs														(3,444,817,054)
Profit before tax														29,992,850,973
Assets and liabilities														
Segment assets	52,790,743,073	18,390,466,946	19,853,558,432	10,741,746,213	25,023,269,863	42,596,905,563	21,101,202,263	4,402,529,724	4,402,529,724	26,853,795,542	26,255,539,004	227,999,869,622	(209,060,888,735)	266,948,696,910
Unallocated assets														39,095,442,560
Total assets														306,044,139,470
Segment liabilities	25,750,372,936	12,260,645,501	11,087,306,644	5,450,533,594	15,995,995,193	26,674,514,537	13,568,565,445	1,344,473,027	1,344,473,027	2,848,915,047	4,595,634,250	55,544,197,629	(46,118,637,250)	128,998,516,553
Unallocated liabilities														52,590,179,412
Total liabilities														181,588,695,965

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.)

XIV. OTHER SIGNIFICANT EVENTS *(continued)*

1. Operating segment information *(continued)*

2021

Item	Gold bullion	Processed, refined and trading gold	Gold concentrates	Electrolytic copper and electrodeposited copper	Refined copper	Copper concentrates	Copper concentrates	Other concentrates	Zinc bullion	Others	Eliminations	Total
Segment revenue:												
Sales to external customers	9,229,296,270	88,806,324,998	3,550,302,345	7,557,869,687	37,128,824,099	9,967,470,942	8,531,374,648	6,442,051,254	53,888,974,349	-	-	225,102,488,592
Intersegment sales	607,636,264	11,242,010,253	2,534,502,347	938,623,330	433,500,710	9,864,560,824	1,474,456,761	-	72,320,265,285	(99,415,555,774)	-	-
Total	9,836,932,534	100,048,335,251	6,084,804,692	8,496,493,017	37,562,324,809	19,832,031,766	10,005,831,409	6,442,051,254	126,209,239,634	(99,415,555,774)	(99,415,555,774)	225,102,488,592
Segment profit*	2,561,399,867	11,781,965	2,673,039,608	5,117,013,795	596,760,024	12,502,529,350	2,810,885,164	278,807,162	828,681,773	-	-	27,380,898,708
Gains/(Losses) on disposal of non-current assets	146,340	(386,030)	(324,842)	-	2,799,630	(21,995,723)	282,959	(13,449)	11,675,315	-	-	(7,815,800)
Interest and dividend income												791,837,660
Unallocated costs												(1,259,156,687)
Finance costs												(2,111,953,389)
Profit before tax												24,793,810,492
Assets and liabilities												
Segment assets	51,891,020,173	18,836,379,366	18,357,743,785	10,710,946,868	24,215,576,931	41,189,911,086	20,956,215,680	4,056,839,197	179,585,258,127	(190,245,922,486)		179,553,968,727
Unallocated assets												29,040,709,396
Total assets												208,594,678,123
Segment liabilities	25,956,337,507	12,063,569,557	11,300,599,031	5,462,991,496	15,478,929,818	26,107,067,476	13,470,225,809	1,328,332,567	63,831,430,699	(93,124,667,674)		81,874,816,286
Unallocated liabilities												33,822,691,293
Total liabilities												115,697,507,579

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.)

XIV. OTHER SIGNIFICANT EVENTS *(continued)*

1. Operating segment information *(continued)*

Segment profit/loss, which excluded intersegment transaction revenue/cost, is the operating profit/loss from external customers.

Geographical information

In 2022, 75% (2021: 79%) of the Group's operating income was derived from customers of Mainland China, and 62% (2021: 58%) of the Group's assets were located in Mainland China.

Information about a major customer

In the year 2022, the Group's income from the Shanghai Gold Exchange was RMB79,781,396,682 (2021: RMB83,798,062,684), 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.16 and Note V.17.

The profit or loss relating to operating leases is as follows:

	2022	2021
Lease income	91,034,516	83,312,751

Pursuant to the operating lease agreements entered into with lessees, the minimum lease receipts under irrevocable operating leases are as followings:

	2022	2021
Within 1 year (1 year inclusive)	30,245,384	32,948,322
Over 1 year but within 2 years (2 years inclusive)	31,550,957	21,108,618
Over 2 years but within 3 years (3 years inclusive)	26,418,553	21,368,061
Over 3 years but within 4 years (4 years inclusive)	19,059,753	17,872,056
Over 4 years but within 5 years (5 years inclusive)	17,442,733	16,923,849
Over 5 years	14,108,001	28,417,316
	138,825,381	138,638,222

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.)***XIV. OTHER SIGNIFICANT EVENTS** *(continued)*2. Leases *(continued)***(2) As lessee**

	2022	2021
Interest expenses on lease liabilities	21,831,606	22,262,956
Expenses relating to short-term leases accounting for applying practical expedients	135,134,500	122,709,755
Total cash outflow for leases	219,670,342	226,861,161

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.19; for practical expedients of short-term leases and leases of low-value assets, please refer to Note III.31; and for lease liabilities, please refer to Note V.38.

3. Directors' and supervisors' remunerations

Remunerations accrued for directors and supervisors during the year is as follows:

	2022	2021
Fees	1,720,320	1,961,739
Other emoluments:		
Basic salaries	17,040,000	17,040,000
Annual incentive salaries [#]	54,402,650	51,590,056
Defined contribution plan – basic pension insurance	258,663	207,486
Enterprise annuities	1,039,931	941,340
	72,741,244	69,778,882
	74,461,564	71,740,621

[#] Annual incentive salaries were determined by a certain percentage of the increased amount of the Group's net assets.

There were no emoluments paid by the Group to a director or a supervisor as an inducement to join or upon joining the Group or as compensation for loss of office during the year (2021: Nil).

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.)

XIV. OTHER SIGNIFICANT EVENTS *(continued)*

3. Directors' and supervisors' remunerations *(continued)*

(a) Independent non-executive directors/non-executive director

The fees accrued for the independent non-executive directors/non-executive director during the year are as follows:

	2022	2021
Mr. Li Jian	50,000	200,000
Mr. Zhu Guang	110,320	200,000
Mr. Li Changqing	200,000	200,000
Mr. Mao Jingwen	200,000	200,000
Mr. He Fulong	200,000	200,000
Mr. Suen Man Tak	240,000	240,000
Mr. Bo Shao Chuan	240,000	241,739
	1,240,320	1,481,739

(b) Executive directors

The remunerations (excluding incentive salaries) accrued for executive directors during the year is as follows:

	Basic salaries	Defined contribution plan – basic pension insurance	Enterprise annuities	Total
2022				
Mr. Chen Jinghe	3,000,000	35,288	52,133	3,087,421
Mr. Lan Fusheng	2,400,000	37,820	181,071	2,618,891
Mr. Zou Laichang	3,000,000	36,807	181,071	3,217,878
Mr. Lin Hongfu	2,160,000	37,820	181,071	2,378,891
Mr. Xie Xionghui	2,160,000	37,820	181,071	2,378,891
Ms. Lin Hongying	2,160,000	37,820	181,071	2,378,891
	14,880,000	223,375	957,488	16,060,863
2021				
Mr. Chen Jinghe	3,000,000	33,489	77,271	3,110,760
Mr. Lan Fusheng	2,400,000	26,781	153,566	2,580,347
Mr. Zou Laichang	3,000,000	33,489	153,566	3,187,055
Mr. Lin Hongfu	2,160,000	26,746	153,566	2,340,312
Mr. Xie Xionghui	2,160,000	26,746	153,566	2,340,312
Ms. Lin Hongying	2,160,000	26,746	153,566	2,340,312
	14,880,000	173,997	845,101	15,899,098

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.)***XIV. OTHER SIGNIFICANT EVENTS** *(continued)*3. Directors' and supervisors' remunerations *(continued)***(b) Executive directors** *(continued)*

The incentive salaries accrued for executive directors during the year is as follows:

Incentive salaries (Note)	2022			2021		
	Immediate incentive salaries	Previous year deferred incentive salaries	Total	Immediate incentive salaries	Previous year deferred incentive salaries	Total
Mr. Chen Jinghe	6,857,429	3,070,067	9,927,496	2,050,985	7,628,323	9,679,308
Mr. Lan Fusheng	4,809,390	2,149,047	6,958,437	1,436,689	7,628,323	9,065,012
Mr. Zou Laichang	6,859,128	3,070,067	9,929,195	2,040,984	5,339,822	7,380,806
Mr. Lin Hongfu	4,789,660	2,149,047	6,938,707	1,436,689	5,339,822	6,776,511
Mr. Xie Xionghui	4,793,226	2,149,047	6,942,273	1,208,853	3,946,544	5,155,397
Ms. Lin Hongying	4,628,731	2,149,047	6,777,778	1,426,689	5,339,822	6,766,511
	32,737,564	14,736,322	47,473,886	9,600,889	35,222,656	44,823,545

Number of restricted A Shares granted	2022	2021
Mr. Chen Jinghe	—	1,100,000
Mr. Lan Fusheng	—	750,000
Mr. Zou Laichang	—	1,100,000
Mr. Lin Hongfu	—	750,000
Mr. Xie Xionghui	—	750,000
Ms. Lin Hongying	—	750,000
	—	5,200,000

Note: According to the "Individual Income Tax Law of the People's Republic of China", the total amount of pre-tax remuneration received from the Company shall be subject to individual income tax at a progressive rate ranging from 3% to 45%. According to the policy, for the part above the annual taxable income of RMB960,000, the taxable amount of individual income tax shall be multiplied by a tax rate of 45%.

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.)

XIV. OTHER SIGNIFICANT EVENTS *(continued)*

3. Directors' and supervisors' remunerations *(continued)*

(c) Supervisors

The remunerations (excluding incentive salaries) accrued for supervisors during the year is as follows:

	Basic salaries	Defined contribution plan – basic pension insurance	Fees	Enterprise annuities	Total
2022					
Mr. Lin Shuiqing	2,160,000	35,288	–	82,443	2,277,731
Mr. Xu Qiang	–	–	150,000	–	150,000
Mr. Fan Wensheng	–	–	150,000	–	150,000
Mr. Liu Wenhong	–	–	90,000	–	90,000
Mr. Cao Sanxing	–	–	90,000	–	90,000
	2,160,000	35,288	480,000	82,443	2,757,731

	Basic salaries	Defined contribution plan – basic pension insurance	Fees	Enterprise annuities	Total
2021					
Mr. Lin Shuiqing	2,160,000	33,489	–	96,239	2,289,728
Mr. Xu Qiang	–	–	150,000	–	150,000
Mr. Fan Wensheng	–	–	150,000	–	150,000
Mr. Liu Wenhong	–	–	90,000	–	90,000
Mr. Cao Sanxing	–	–	90,000	–	90,000
	2,160,000	33,489	480,000	96,239	2,769,728

The incentive salaries accrued for supervisors during the year is as follows:

Incentive salaries	2022			2021		
	Immediate incentive salaries	Previous year deferred incentive salaries	Total	Immediate incentive salaries	Previous year deferred incentive salaries	Total
Mr. Lin Shuiqing	4,779,717	2,149,047	6,928,764	1,426,689	5,339,822	6,766,511
	4,779,717	2,149,047	6,928,764	1,426,689	5,339,822	6,766,511

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.)***XIV. OTHER SIGNIFICANT EVENTS** *(continued)***4. The five highest paid employees of the Group during the year**

The five highest paid employees of the Group during the year included five directors (2021: five directors), the details of their remunerations are disclosed above, the total remunerations are as follows:

	2022	2021
Basic salaries	12,720,000	12,720,000
Discretionary bonuses	40,696,108	39,668,148
Enterprise annuities	776,417	691,535
Defined contribution plan – basic pension insurance	185,555	147,251
	54,378,080	53,226,934

5. Defined contribution plan – basic pension insurance

	2022	2021
Net payment of defined contribution plan – basic pension insurance (Directors, supervisors and senior management)	448,020	321,492

In 2022 and 2021, the Group had no forfeited contributions available to reduce its defined contribution plan – basic pension insurance in future years.

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 trade receivables is as follows:

	2022	2021
Within 1 year	179,150,705	532,824,754
Over 1 year but within 2 years	13,308,476	32,080,498
Over 2 years but within 3 years	728,985	9,223,465
Over 3 years	6,590,406	3,163,178
	199,778,572	577,291,895
Less: Bad debt provision for trade receivables	154,671	170,575
	199,623,901	577,121,320

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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:

	2022				
	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	189,307,172	94.76	-	-	189,307,172
Group 2: Aging analysis group	10,471,400	5.24	154,671	1.48	10,316,729
	199,778,572	100	154,671	0.08	199,623,901

	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	564,278,235	97.75	-	-	564,278,235
Group 2: Aging analysis group	13,013,660	2.25	170,575	1.31	12,843,085
	577,291,895	100.00	170,575	0.03	577,121,320

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

	2022			2021		
	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	10,048,298	0.30	30,145	12,399,666	0.30	37,199
Over 1 year but within 2 years	6,729	6.00	404	205,267	6.00	12,316
Over 2 years but within 3 years	5,268	15.00	790	10,387	15.00	1,558
Over 3 years	411,105	30.00	123,332	398,340	30.00	119,502
	10,471,400		154,671	13,013,660		170,575

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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 trade receivables are as follows:

	At 1 January	Additions	Recovery or reversal	Write-off	At 31 December
2022	170,575	147,514	(163,418)	–	154,671
2021	158,251	382,592	(370,268)	–	170,575

In 2022, provision for bad debt was RMB147,514 (2021: RMB382,592), and provision for bad debt of RMB163,418 was recovered or reversed (2021: RMB370,268).

In 2022, there were no trade receivables written off (2021: Nil).

The five entities with the largest balances of trade receivables at 31 December 2022 are as follows:

Name of entity	Relationship	Amount	Proportion of trade receivables (%)		Ageing	Closing balance of bad debt provision
Fujian Zijin Copper Co., Ltd. Shanxi Zijin	Subsidiary	51,772,042	25.91		Within 1 year	–
	Subsidiary	15,753,869	7.89		Within 1 year/ Over 1 year but within 2 years	–
Guizhou Zijin Urad Rear Banner Zijin	Subsidiary	15,257,601	7.64		Within 1 year	–
	Subsidiary	15,008,397	7.51		Within 1 year/ Over 3 years	–
Duobaoshan Copper Industry	Subsidiary	13,951,814	6.98		Within 1 year	–
		111,743,723	55.93			–

The five entities with the largest balances of trade receivables at 31 December 2021 are as follows:

Name of entity	Relationship	Amount	Proportion of trade receivables (%)		Ageing	Closing balance of bad debt provision
Zijin Copper	Subsidiary	264,490,186	45.82		Within 1 year	–
Fujian Zijin Copper Co., Ltd.	Subsidiary	91,466,326	15.85		Within 1 year	–
Duobaoshan Copper Industry	Subsidiary	70,151,886	12.15		Within 1 year/ Over 1 year but within 2 years	–
					Within 1 year/ Over 1 year but within 2 years/ Over 2 years but within 3 years	–
Urad Rear Banner Zijin	Subsidiary	22,196,167	3.84		Within 1 year/ Over 1 year but within 2 years/ Over 2 years but within 3 years	–
Julong Copper	Subsidiary	16,587,170	2.87		Within 1 year	–
		464,891,735	80.53			–

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

	2022	2021
Dividends receivable	–	62,844,000
Other receivables	15,943,568,575	8,127,538,532
	15,943,568,575	8,190,382,532

An ageing analysis of other receivables is as follows:

	2022	2021
Within 1 year	14,122,463,652	4,221,012,533
Over 1 year but within 2 years	351,093,106	3,428,549,528
Over 2 years but within 3 years	1,118,788,058	280,267,491
Over 3 years	356,938,322	203,423,543
	15,949,283,138	8,133,253,095
Less: Bad debt provision for other receivables	5,714,563	5,714,563
	15,943,568,575	8,127,538,532

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:

2022

	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
Opening balance	459,111	–	5,255,452	5,714,563
Opening balance 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	–	–	–	–
Other changes	–	–	–	–
	459,111	–	5,255,452	5,714,563

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: *(continued)*

2021

	Stage 1	Stage 2	Stage 3	
	12-month	Entire	Financial assets	
	expected	lifetime	with credit	
	credit	expected	impairment	
	losses	credit losses	occurred	Total
			(entire lifetime)	
Opening balance	459,111	–	5,386,652	5,845,763
Opening balance during the year				
– Transferred to Stage 2	–	–	–	–
– Transferred to Stage 3	–	–	–	–
– Reversed to Stage 2	–	–	–	–
– Reversed to Stage 1	–	–	–	–
Provision during the year	–	–	28,404,074	28,404,074
Reversal during the year	–	–	–	–
Write-back during the year	–	–	(28,535,274)	(28,535,274)
Write-off during the year	–	–	–	–
Other changes	–	–	–	–
	459,111	–	5,255,452	5,714,563

The category of other receivables by nature is as follows:

	2022	2021
Due from subsidiaries	13,895,299,238	7,936,561,589
Due from associates and joint ventures	90,871	372,118
Financial assets maturing within one year	180,000,000	–
Receivables from settlement of futures	76,350,843	8,905,958
Staff advances and reserve funds	23,662,870	6,467,887
Deferred expenses	22,589,277	25,010,943
Receivables from disposal of assets	16,606,714	22,168,866
Advanced material costs	12,320,473	18,361,089
Guarantees and deposits	5,458,721	8,680,848
Others	1,716,904,131	106,723,797
	15,949,283,138	8,133,253,095
Less: Bad debt provision for other receivables	5,714,563	5,714,563
	15,943,568,575	8,127,538,532

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 five entities with the largest balances of other receivables at 31 December 2022 are as follows:

	Closing balance	Proportion of other receivables (%)	Nature	Ageing	Closing balance of bad debt provision
Zijin Mining Investment (Shanghai) Co., Ltd.	4,890,000,000	30.66	Due from subsidiary	Within 1 year	–
Zijin Mining Group South Investment Co., Ltd.	3,796,500,000	23.80	Due from subsidiary	Within 1 year	–
Zijin Copper	805,369,048	5.05	Due from subsidiary	Within 1 year/Over 1 year but within 2 years/Over 2 years but within 3 years	–
Tibet Zijin	515,236,164	3.23	Due from subsidiary	Within 1 year/Over 1 year but within 2 years/Over 2 years but within 3 years/Over 3 years	–
Gold Mountains (H.K.)	414,706,334	2.60	Due from subsidiary	Within 1 year	–
	10,421,811,546	65.34			–

The five entities with the largest balances of other receivables at 31 December 2021 are as follows:

	Closing balance	Proportion of other receivables (%)	Nature	Ageing	Closing balance of bad debt provision
Tibet Zijin	3,047,277,432	37.47	Due from subsidiary	Within 1 year/Over 1 year but within 2 years	–
Zijin Copper	1,088,179,334	13.38	Due from subsidiary	Within 1 year/Over 2 years but within 3 years	–
Zijin Zinc	714,251,833	8.78	Due from subsidiary	Within 1 year/Over 1 year but within 2 years	–
Zeravshan	553,492,294	6.81	Due from subsidiary	Within 1 year/Over 1 year but within 2 years/Over 2 years but within 3 years	–
Jinhao Iron	481,516,797	5.92	Due from subsidiary	Within 1 year/Over 3 years	–
	5,884,717,690	72.36			–

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

	Carrying amount	2022		Carrying amount	2021	
		Impairment provision	Net book value		Impairment provision	Net book value
Investments in subsidiaries	64,965,992,817	(579,556,935)	64,386,435,882	52,149,417,476	(579,556,935)	51,569,860,541
Investments in associates	2,124,689,480	-	2,124,689,480	3,104,300,828	-	3,104,300,828
	67,090,682,297	(579,556,935)	66,511,125,362	55,253,718,304	(579,556,935)	54,674,161,369

(i) Investments in subsidiaries

	At 1 January 2021			At 31 December 2021			Provision for impairment losses at 31 December 2022	
	At 1 January 2021	Additions	Reductions	At 31 December 2021	Additions	Reductions	At 31 December 2022	31 December 2022
Zijin Mining Group Southwest Co., Ltd.	1,201,793,670	6,324,767	-	1,208,118,437	6,636,055	-	1,214,754,492	-
West Copper	936,000,000	-	-	936,000,000	-	-	936,000,000	-
Gold Mountains (H.K.)	22,649,957,174	3,737,380,137	-	26,387,337,311	1,038,767,706	-	27,426,105,017	-
Luoyang Kunyu	676,829,479	196,000	-	677,025,479	-	(677,025,479)	-	-
Zijin Finance	605,186,575	-	-	605,186,575	18,347,497	-	623,534,072	-
Xiamen Investment	397,061,613	-	-	397,061,613	80,000,000	(357,322,854)	119,738,759	-
Longnan Zijin	376,289,149	735,753	-	377,024,902	-	(23,792,178)	353,232,724	(43,019,351)
Bayannur Zijin	579,027,464	-	-	579,027,464	-	(579,027,464)	-	-
Northwest Co.	800,883,104	51,823,508	(250,000,000)	602,706,612	2,151,781	-	604,858,393	-
South Investment	4,161,800,443	8,301,482	-	4,170,101,925	1,958,836,118	-	6,128,938,043	-
Huanmin Mining	306,000,000	-	-	306,000,000	-	-	306,000,000	-
Zijin Commercial Services	500,000,000	-	(300,000,000)	200,000,000	-	-	200,000,000	-
Shanghang Jinshan Mining Co., Ltd.	293,785,150	-	-	293,785,150	-	-	293,785,150	-
Xinyi Zijin	243,900,000	676,000,000	-	919,900,000	-	-	919,900,000	(243,900,000)
Zijin Capital	800,000,000	200,000,000	(70,070,908)	929,929,092	-	(929,929,092)	-	-
Zijin International	2,114,677,708	-	-	2,114,677,708	54,069,915	-	2,168,747,623	-
Jilin Zijin Copper	69,447,733	241,570,719	-	311,018,452	-	-	311,018,452	-
Fujian Zijin Copper	146,222,366	17,808,804	-	164,031,170	371,304	-	164,402,474	-
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	70,000,000	-	175,000,000	-
Yunnan Huaxi	86,830,000	-	-	86,830,000	-	-	86,830,000	-
Ankang Zijin Mining Co., Ltd.	398,787,471	-	-	398,787,471	-	-	398,787,471	-
Longsheng Dexin Mining Co., Ltd.	53,550,000	-	-	53,550,000	-	-	53,550,000	-
Zijin Mining & Metallurgy Technology	50,000,000	-	-	50,000,000	-	-	50,000,000	-
Guizhou Zijin	33,844,793	539,233	(1,530,000)	32,854,026	-	(32,854,026)	-	-
Xiamen Metallic Materials	25,883,651	-	(25,883,651)	-	-	-	-	-
Sichuan Ganzhi Zijin Mining Co., Ltd.	24,000,000	-	(24,000,000)	-	-	-	-	-

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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 2021			At 31 December 2021			At 31 December 2022		Provision for impairment losses at 31 December 2022
	Additions	Reductions	Additions	Reductions	Additions	Reductions			
Zijin Mining Group Gold Jewelry Co., Ltd.	430,400,000	491,900	-	430,891,900	-	-	430,891,900	-	
Wuping Zijin	20,429,287	-	-	20,429,287	-	-	20,429,287	-	
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.	1,526,220,000	656,652,800	-	2,182,872,800	-	-	2,182,872,800	-	
Xiamen Zijin Tongguan Investment Development Co., Ltd. ("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)	-	-	-	-	-	
Liancheng Jiuxin	5,000,000	-	-	5,000,000	-	-	5,000,000	-	
Zixin No.1	750,000,000	-	-	750,000,000	-	-	750,000,000	-	
Tibet Zijin	2,000,000,000	125,671,233	-	2,125,671,233	1,518,213,816	-	3,643,885,049	-	
Zijin International Holdings Co., Ltd.	300,000,000	1,670,000,000	-	1,970,000,000	7,249,685,973	-	9,219,685,973	-	
Zijin International Trading Co., Ltd.	20,000,000	110,383,651	-	130,383,651	30,000,000	(160,000,000)	383,651	-	
Zijin Environmental Technology Co., Ltd.	30,000,000	120,070,908	-	150,070,908	20,000,000	-	170,070,908	-	
Tongli Trading	41,280,000	86,220,000	-	127,500,000	-	-	127,500,000	-	
Guizhou Zijin Gold Smelting Co. Ltd.	-	1,530,000	-	1,530,000	-	(1,530,000)	-	-	
Xiamen Zixin Mining Co., Ltd.	-	66,000,000	-	66,000,000	-	(66,000,000)	-	-	
Zixin No.2	-	500,000,000	-	500,000,000	-	-	500,000,000	-	
Zijin Zhixin (Xiamen) Technology Co., Ltd.	-	65,500,000	-	65,500,000	-	-	65,500,000	-	
Zijin Secondary School	-	5,000,000	-	5,000,000	-	-	5,000,000	-	
Zijin Leasing	-	180,000,000	-	180,000,000	-	-	180,000,000	-	
Shanghai Investment	-	150,000,000	-	150,000,000	1,779,929,092	-	1,929,929,092	-	
Sino-Zijin	-	256,996,944	-	256,996,944	-	-	256,996,944	-	
FZU Zijin Hydrogen Power	-	-	-	-	100,000,000	-	100,000,000	-	
Longking	-	-	-	-	1,734,331,295	-	1,734,331,295	-	
Xiamen Zijin Renewable Energy and Advanced Materials Technology Co., Ltd.	-	-	-	-	50,000,000	-	50,000,000	-	
Zijin Southwest Geological Exploration Co., Ltd.	-	-	-	-	60,000,000	-	60,000,000	-	
	43,889,704,196	8,935,197,839	(675,484,559)	52,149,417,476	15,771,340,552	(2,954,765,211)	64,965,992,817	(579,556,935)	

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)*

(ii) Investments in associates

2022

Investee	At 1 January	Movements during the year										Provision for impairment losses at 31 December
		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	At 31 December		
Makeng Mining	1,368,196,342	-	-	261,142,506	-	-	(290,500,000)	-	-	-	1,338,838,848	-
Yulong Copper	1,234,460,766	-	(1,518,213,816)	503,753,050	-	-	(220,000,000)	-	-	-	-	-
Songpan Zijin	39,249,785	7,000,000	(19,252,957)	-	-	-	-	-	-	-	26,996,828	-
Wancheng Commercial	48,390,918	-	-	37,197,697	-	-	(37,500,000)	-	-	-	48,088,615	-
Evergreen New Energy	82,021,734	-	-	33,905,009	-	-	-	-	-	-	115,926,743	-
Caixi Cultural	2,565,477	-	-	-	-	-	-	-	-	-	2,565,477	-
Tianfeng Futures	329,415,806	18,556,897	-	8,877,837	-	-	-	-	-	-	356,850,540	-
Huajian Investment	-	237,707,700	-	(2,285,271)	-	-	-	-	-	-	235,422,429	-
	3,104,300,828	263,264,597	(1,537,466,773)	842,590,828	-	-	(548,000,000)	-	-	-	2,124,689,480	-

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)*

(ii) Investments in associates *(continued)*

2021

Investee	At 1 January	Movements during the year										At 31 December	Provision for impairment losses at 31 December
		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	-	-	413,324,937	-	-	(41,500,000)	-	-	-	1,368,196,342	-	
Yulong Copper	760,722,275	-	-	693,738,491	-	(220,000,000)	-	-	-	-	1,234,460,766	-	
Songpan Zijin	39,249,785	-	-	-	-	-	-	-	-	-	39,249,785	-	
Wancheng Commercial	47,209,809	-	-	28,681,109	-	(27,500,000)	-	-	-	-	48,390,918	-	
Evergreen New Energy	28,930,327	30,000,000	-	23,091,407	-	-	-	-	-	-	82,021,734	-	
Caixi Cultural	3,000,000	-	-	(434,523)	-	-	-	-	-	-	2,565,477	-	
Sino-Zijin	217,682,489	44,080,677	-	(4,766,222)	-	-	-	-	-	(256,996,944)	-	-	
Tianfeng Futures	-	331,797,600	-	(2,381,794)	-	-	-	-	-	-	329,415,806	-	
	2,093,166,090	405,878,277	-	1,151,253,405	-	(289,000,000)	-	-	-	(256,996,944)	3,104,300,828	-	

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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. Other non-current assets

	2022	2021
Long-term receivables	9,085,791,360	9,585,899,220
Exploration and development costs	142,409,041	138,139,504
Prepaid investment costs, prepayments for exploration and mining rights and others	3,206,499,361	1,147,280,880
	12,434,699,762	10,871,319,604

5. Long-term payables

	2022	2021
Entrusted investments	241,368,782	201,368,782
Loans from a shareholder	–	12,060,000
Payables to subsidiaries	6,250,000,000	6,250,000,000
	6,491,368,782	6,463,428,782
Including: Current portion of long-term payables	(6,300,100,000)	(2,800,000)
	191,268,782	6,460,628,782

* Maturity analysis of long-term payables is as follows:

	2022	2021
Within 1 year or repayable on demand	6,300,100,000	2,800,000
Over 1 year but within 2 years	–	6,302,900,000
Over 2 years but within 5 years	–	6,460,000
Over 5 years	191,268,782	201,368,782
	6,491,368,782	6,463,428,782

6. Operating income and operating costs

	2022		2021	
	Operating income	Operating costs	Operating income	Operating costs
Principal operations	5,508,982,599	2,189,242,957	6,194,329,707	2,617,117,159
Other operations	753,974,778	252,275,491	615,968,883	223,327,236
	6,262,957,377	2,441,518,448	6,810,298,590	2,840,444,395

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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. Finance expenses

	2022	2021
Interest expenses	1,823,125,796	1,404,562,529
<i>Including: Bank borrowings</i>	1,101,792,695	784,176,643
<i>Bonds payable</i>	691,262,005	601,106,982
<i>Ultra short-term financing bonds</i>	30,071,096	19,278,904
Less: Interest income	916,799,560	896,191,627
Exchange differences	(230,758,119)	50,911,154
Bank charges	11,796,007	24,260,007
Amortisation of unrecognised finance expenses (Note 1)	9,220,971	13,719,503
Unearned finance income (Note 2)	(5,831,134)	(6,436,236)
	690,753,961	590,825,330

Note 1: Unrecognised finance expenses consisted of amortisation of unrecognised interest expenses of provisions of RMB9,220,971.

Note 2: Unearned finance income was the amortisation of unrecognised finance income from long-term receivables.

In 2022 and 2021, the Company incurred no capitalised interest expenses, and none of the above interest income was generated from impaired financial assets.

8. Investment income

	2022	2021
Investment income from long-term equity investments under the cost method	915,066,894	913,018,798
Investment income from long-term equity investments under the equity method	842,590,828	1,151,253,405
Investment income/(losses) from disposal of subsidiaries	342,844	(1,184,394)
Investment (losses)/income from disposal of financial assets and financial liabilities at fair value through profit or loss (Note 1)	(33,236,020)	192,202,435
Dividend income from other equity instrument investments during the holding period	15,149,681	13,616,500
	1,739,914,227	2,268,906,744

Note 1: The investment losses from disposal of held for trading financial assets included the investment losses from derivative instruments amounting to RMB43,480,537 (2021: income of RMB178,816,362), and other investment income amounting to RMB10,244,517 (2021: income of RMB13,386,073).

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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)*

9. 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:

	2022	2021
Net profit	2,963,252,717	3,350,881,756
Add: Provisions for asset impairment	52,067,463	24,722,603
Depreciation of fixed assets	355,745,413	402,985,606
Depreciation of right-of-use assets	–	4,052,312
Amortisation of intangible assets	10,453,630	11,276,817
Amortisation of long-term deferred assets	73,811,133	93,121,124
Gains on disposal of fixed assets, intangible assets and other non-current assets	(3,189,046)	(510,646)
Losses on write-off of fixed assets	2,169,203	733,756
Losses on changes in fair value	73,328,349	119,946,651
Finance expenses	742,287,921	651,516,119
Investment income	(1,746,041,363)	(2,266,776,107)
Increase in deferred tax assets	(13,678,736)	(62,337,881)
Decrease in deferred tax liabilities	(5,123,482)	(11,580,225)
(Increase)/Decrease in inventories	(102,262,232)	30,014,784
Decrease/(Increase) in receivables from operating activities	1,670,539,714	(193,272,897)
Increase in payables from operating activities	328,988,983	427,287,445
Others	179,664,515	184,514,697
Net cash flows from operating activities	4,582,014,182	2,766,575,914

Net changes in cash and cash equivalents:

	2022	2021
Cash and cash equivalents	4,087,831,452	2,971,735,415
Less: Other cash and cash equivalents	529,395,318	491,556,760
Closing balance of cash	3,558,436,134	2,480,178,655
Less: Opening balance of cash	2,480,178,655	4,639,641,199
Add: Closing balance of cash equivalents	101,242,612	190,627,714
Less: Opening balance of cash equivalents	190,627,714	67,586,111
Increase/(Decrease) in cash and cash equivalents	988,872,377	(2,036,420,941)

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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)*

9. Supplementary information to the statement of cash flows *(continued)*

(2) Cash and cash equivalents

	2022	2021
Cash	3,558,436,134	2,480,178,655
<i>Including: Cash on hand</i>	213	25,292
<i>Cash at banks that can be readily drawn on demand</i>	3,558,435,921	2,480,153,363
Cash equivalents	101,242,612	190,627,714
Closing balance of cash and cash equivalents at the end of the year	3,659,678,746	2,670,806,369

10. Commitments

	2022	2021
Capital commitments (Note 1)	68,767,149	10,898,529

Note 1: As at 31 December 2022, the amount of capital commitments relating to acquisition and construction of property, plant, machinery and equipment and mining assets was RMB68,767,149 (31 December 2021: RMB10,898,529).

Notes to Financial Statements *(continued)*

For the year ended 31 December 2022

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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	2022
Net losses on disposal of non-current assets	(174,920,311)
Government grants recognised in profit or loss for the current period	484,638,917
Gains or losses on changes in fair value arising from held for trading financial assets and financial liabilities, investment income or loss on disposal of held for trading financial assets and financial liabilities except for the effective hedging business and gold leasing relating to the Group's normal business operations (Note 1)	(359,246,268)
Capital utilisation fee received from non-financial enterprises recognised in profit or loss for the current period	1,210,956,892
Investment income from disposal of long-term equity investments	34,864,096
Other non-operating income and expenses other than the aforesaid items	(783,052,498)
	413,240,828
Impact on income tax	(5,847,317)
Impact on the non-controlling interests (after tax)	103,581,549
	510,975,060

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 above-mentioned 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 losses on changes in fair value of trading stocks, funds and currency swaps amounting to RMB43,509,343 and losses on disposal of stocks, funds, currency swaps and wealth management products amounting to RMB315,736,925.

Notes to Financial Statements *(continued)*

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XVI. SUPPLEMENTARY INFORMATION *(continued)*

2. Return on net assets and earnings per share

2022		Return on net assets (%)		Earnings per share		
		Fully diluted	Weighted average	Basic	Diluted	
	Net profit attributable to ordinary shareholders of the parent	20,042,045,977	22.58	25.29	0.76	0.76
	Net profit after non-recurring profit or loss attributable to ordinary shareholders of the parent	19,531,070,917	21.96	24.64	0.74	0.74

2021		Return on net assets (%)		Earnings per share		
		Fully diluted	Weighted average	Basic	Diluted	
	Net profit attributable to ordinary shareholders of the parent	15,672,870,591	22.06	23.97	0.60	0.60
	Net profit after non-recurring profit or loss attributable to ordinary shareholders of the parent	14,680,534,183	20.67	22.45	0.57	0.57

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.

As of 25 June 2021, the conversion of the Company's convertible corporate bonds into shares was completed, the total number of shares converted was 853,561,694.



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