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**江西銅業股份有限公司**  
**JIANGXI COPPER COMPANY LIMITED**

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

(Stock Code: 0358)

**2022 INTERIM RESULTS ANNOUNCEMENT**

**I. IMPORTANT NOTICE**

- (I) The board of directors (the “**Board**”) and the supervisory committee (the “**Supervisory Committee**”) of Jiangxi Copper Company Limited (the “**Company**”) and its directors (the “**Directors**”), supervisors (the “**Supervisors**”) and senior management warrant that they severally and jointly accept responsibility for the truthfulness, accuracy and completeness of the information contained in this announcement and that there are no false representations, misleading statements contained therein or material omissions therefrom.

This announcement is extracted from the full text of the interim results report, which will be published on the websites of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (<http://www.hkexnews.hk>) and the Company (<http://www.jxcc.com>). Investors should read the full text of the interim results report for details.

- (II) All Directors of the Company attended the Board meeting to approve, among others, the interim results for the six months ended 30 June 2022.

- (III) The interim financial report of the Company and its subsidiaries (the “**Group**”) has not been audited, but the interim financial information prepared in accordance with International Accounting Standards 34 “Interim Financial Reporting” and other relevant provisions (collectively referred to as “**IFRSs**”) has been reviewed by Ernst & Young and considered and approved by the independent audit committee (the “**Audit Committee**”) of the Company.
- (IV) The Company’s chairman, Zheng Gaoqing, the principal accounting responsible person, Yu Tong, and Head of Financial Department (accounting chief), Bao Xiaoming, warrant the truthfulness, accuracy and completeness of the financial report set out in the interim report.
- (V) Proposal of profit distribution plan or transfer of capital reserve to share capital resolved and approved by the Board: The Company will not make any proposal of profit distribution plan or transfer capital reserve to share capital during the six months ended 30 June 2022 (the “**reporting period**”).
- (VI) Statement for the risks involved in the forward-looking statement: This announcement contains forward-looking statements that involve future plans and development strategies which do not constitute a commitment by the Company to its investors. Investors should be aware of the investment risks.
- (VII) There is no misappropriation of funds by the controlling shareholders and their connected parties for non-operation purpose in the Group.
- (VIII) There are no external guarantees provided in violation of stipulated decision-making procedures in the Group.

## II. SUMMARY OF ACCOUNTING DATA AND FINANCIAL INDICATORS

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

	For the six months ended 30 June		Increase/ (decrease) (%)
	2022 <i>(RMB'000)</i> (Unaudited)	2021 <i>(RMB'000)</i> (Unaudited)	
Revenue	254,587,825	226,236,738	12.53
Profit before taxation	4,782,716	4,067,703	17.58
Profit for the period attributable to shareholders of the parent	3,595,912	3,153,039	14.05
Basic earnings per share <i>(RMB)</i>	1.04	0.91	14.29
	As at 30 June 2022 <i>(RMB'000)</i> (Unaudited)	As at 31 December 2021 <i>(RMB'000)</i> (Audited)	Increase/ (decrease) (%)
Total assets	183,963,435	161,034,643	14.24
Total liabilities	106,770,011	83,224,717	28.29
Net assets attributable to shareholders of the parent	68,667,894	69,798,852	-1.62
Net assets per share attributable to shareholders of the parent <i>(RMB)</i>	19.83	20.16	-1.62

**(II) Consolidated Accounting Data and Financial Indicators Prepared in accordance with the People’s Republic of China (“PRC”) Accounting Standards (“PRC GAAP”)**

***(I) Major accounting data***

Major Accounting Data	During the reporting period (January to June)	Unit: Yuan Currency: RMB	
		During the corresponding period of last year	Increase/decrease for the reporting period as compared with the corresponding period of last year (%)
Operating revenue	255,247,861,204	226,794,311,017	12.55
Net profit attributable to shareholders of the Company	3,466,559,258	3,043,066,457	13.92
Net profit after non-recurring profit or loss attributable to shareholders of the Company	2,756,439,259	5,209,514,632	-47.09
Net cash flows from operating activities	7,339,203,609	1,767,430,662	315.25
	As at the end of the reporting period	As at the end of last year	Increase/decrease as at the end of the reporting period as compared with the end of last year (%)
Net assets attributable to shareholders of the Company	68,667,896,233	69,798,852,884	-1.62
Total assets	183,963,437,266	161,034,644,301	14.24

## **(II) Major Financial Indicators**

*Unit: Yuan Currency: RMB*

<b>Major Financial Indicators</b>	<b>During the reporting period (January to June)</b>	<b>During the corresponding period of last year</b>	<b>Increase/decrease for the reporting period as compared with the corresponding period of last year (%)</b>
Basic earnings per share ( <i>RMB/share</i> )	<b>1.00</b>	0.88	13.92
Basic earnings per share after non-recurring profit or loss items ( <i>RMB/share</i> )	<b>0.80</b>	1.50	-47.09
Return on net assets (weighted average) (%)	<b>5.01</b>	4.80	Increased by 0.21 percentage point
Return on net assets after non-recurring profit or loss items (weighted average) (%)	<b>3.98</b>	8.22	Decreased by 4.24 percentage points

### (III) Reconciliation Between the IFRSs and the PRC GAAP

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

Unit: Yuan Currency: RMB

	Net profit attributable to shareholders of the Company		Net assets attributable to shareholders of the Company	
	Amount for the current period	Amount for the previous period	Amount at the end of the period	Amount at the beginning of the period
Under PRC GAAP	3,466,559,258	3,043,066,457	68,667,896,233	69,798,852,884
Adjustments to items and amounts under IFRSs				
Safety fund expenses provided but not used under the PRC GAAP during the period	129,353,016	109,972,142		
Under IFRSs	3,595,912,274	3,153,038,599	68,667,896,233	69,798,852,884

The Group is required to make appropriations on work safety in accordance with Cai Qi [2012] No. 16 “Measures on the Appropriation and Usage of Work Safety Funds of Enterprises” issued by the Ministry of Finance and the State Administration of Work Safety. The fund is designated for enhancement and improvement of work safety conditions.

The appropriated work safety funds are included in related products’ costs or profit or loss for the current period, and are reflected separately in the “special reserve” under shareholders’ equity. In using the appropriated funds for work safety, the cost of expenditure is directly offset against the special reserve. When the use of appropriated work safety fund forms fixed assets, through the costs of accumulation of ongoing construction items, the related assets are confirmed to become fixed when they reach their intended usable conditions after the completion of the safety projects. Meanwhile, the costs of forming fixed assets are then offset against the specific reserve while the same amount is recognised in accumulated depreciation. Such fixed assets are not depreciated in subsequent periods.

Under the IFRSs, the appropriation of work safety fund is individually reflected in the restricted reserve of shareholders’ equity in the form of profit distribution. When qualifying costs of expenditure are incurred, such expenses are recorded in the current income statement as incurred. When capital expenditures are incurred, an amount is transferred to property, plant and equipment and is depreciated in accordance with the depreciation policy of the Company. Meanwhile, the actual usage amounts of, among other things, work safety expenses of the current period, are carried over internally in shareholders’ equity, and are offset against restricted reserve and increase the undistributed profit, to the limit that restricted reserve is offset to zero.

**(IV) Non-Recurring Profit or Loss Items and Amounts Prepared under the PRC GAAP**

*Unit: Yuan Currency: RMB*

<b>Non-recurring profit or loss items</b>	<b>Amount (Unaudited)</b>
Profit or loss from disposal of non-current assets	186,266,939
Government grants as included in profit or loss of the current period, other than those closely relating to the normal business of the Company and subject to a fixed amount or quantity under certain standard and in compliance with national policies	101,519,708
Profit or loss from changes in the fair value of financial assets held-for trading, derivative financial assets, financial liabilities held-for-trading, derivative financial liabilities, and investment gains from disposal of financial assets held-for-trading, derivative financial assets, financial liabilities held-for-trading, derivative financial liabilities and other debt investments, except for effective hedging businesses related to the ordinary operating business of the Company	728,165,431
Reversion of provision for impairment of the receivables and contract assets under independent impairment test	28,927,304
Other non-operating income and expenses other than the above	-44,213,391
Less: Impact from income tax	96,822,167
Impact from interests of minority shareholders (after tax)	<u>193,723,825</u>
Total	<u><u>710,119,999</u></u>

**(V) Other Items (Prepared under the PRC GAAP)***Unit: Yuan Currency: RMB*

<b>Item</b>	<b>Opening balance</b>	<b>Closing balance</b>	<b>Changes during the period</b>	<b>Impact on profit of the current period</b>
1. Investment in held-for-trading equity instruments				
Equity investments	213,520,573	<b>0</b>	-213,520,573	-1,344,278
2. Investment in held-for-trading debt instruments				
Bond investment	973,592,548	<b>3,560,416,181</b>	2,586,823,633	11,454,601
Investment in debt instruments	2,832,879,447	<b>11,235,780,195</b>	8,402,900,748	81,405,635
3. Held-for-trading financial liabilities	0	<b>-282,506,400</b>	-282,506,400	-3,632,206
4. Other non-current financial assets	1,266,705,556	<b>1,177,265,610</b>	-89,439,946	-175,786,613
5. Investment in other equity instruments	19,260,619,266	<b>16,170,228,659</b>	-3,090,390,607	2,438,701
6. Derivative instruments not designated as hedging				
Forward foreign exchange contracts	45,391,790	<b>-214,987,157</b>	-260,378,947	-298,787,260
Commodity option contracts	-8,854,726	<b>-23,185,099</b>	-14,330,373	71,841,035
Commodity futures contracts	33,153,553	<b>1,259,916,177</b>	1,226,762,624	1,184,455,592
7. Hedging instruments				
Commodity futures contracts	29,880,118	<b>202,599,870</b>	172,719,752	129,684,194
Provisional price arrangement	-11,441,879	<b>713,113,442</b>	724,555,321	724,555,321
8. Items included in inventories that are measured at fair value	6,311,663,309	<b>6,947,354,479</b>	635,691,170	-811,572,248
9. Accounts receivable financing	2,535,148,368	<b>3,117,927,310</b>	582,778,942	0
<b>Total</b>	<b>33,482,257,923</b>	<b>43,863,923,267</b>	<b>10,381,665,344</b>	<b>914,712,474</b>



### III. MANAGEMENT DISCUSSION AND ANALYSIS

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

#### I. INDUSTRY SITUATION AND PRINCIPAL BUSINESS OF THE COMPANY DURING THE REPORTING PERIOD

##### *(I) Principal business and operation model of the Company*

The principal business of the Group covers copper and gold mining and dressing, smelting and processing; extraction and processing of scattered metals; sulphuric chemistry as well as finance and trading fields. It has established the complete industrial chain integrated with exploration, mining, ore dressing, smelting and processing in copper and related non-ferrous metal fields. It is the important production base of copper, gold, silver and sulphuric chemistry in the PRC. The products include more than 50 varieties, such as copper cathode, gold, silver, sulphuric acid, copper rod, copper tube, copper foil, selenium, tellurium, rhenium, bismuth, etc., of which copper cathode of “Guiye”, “JCC” and “HUMON-D” (owned by Shandong Humon Smelting Co., Ltd. (stock code: 002237) (“**Humon Smelting**”)) are registered products in London Metal Exchange (the “LME”), and “JCC” gold and silver are registered products in the London Bullion Market Association (the “LBMA”).

The main assets owned and controlled by the Group include:

1. A listed company: Humon Smelting is a company listed on the Shenzhen Stock Exchange. The Company holds 44.48% of the total share capital of Humon Smelting, and is a controlling shareholder of Humon Smelting. Humon Smelting is mainly engaged in the exploration, mining, dressing, smelting and chemical production of gold. It is a national key gold smelting enterprise with the annual production capacity of 50 tonnes of gold and 1,000 tonnes of silver, and with the production capacity of 0.25 million tonnes of electrolytic copper and 1.3 million tonnes of sulphuric acid as by-products.
2. Four smelters under production: Guixi Smelter, Jiangxi Copper (Qingyuan) Company Limited (“**Qingyuan**”), JCC Hongyuan Copper Industry Co., Ltd. and Zhejiang Jiangtong Fuye Heding Copper Co., Ltd., among which Guixi Smelter is the largest scale and the technology advanced blister and copper concentrate smelter and refiner in the PRC.

3. Five 100% owned mines under production: Dexing Copper Mine (including copper factory mining area, Fujiawu mining area and Zhushahong mining area), Yongping Copper Mine, Chengmenshan Copper Mine (including Jinjiwo Silver-Copper Mine), Wushan Copper Mine (“**Wushan Copper Mine**”) and JCC Yinshan Mining Company Limited (江西銅業集團銀山礦業有限責任公司) (“**Yinshan Mining**”).
4. Eight modern copper products processing plants: Jiangxi Copper Products Company Limited, Jiangxi Copper (Guangzhou) Copper Production Company Limited, Jiangxi JCC Copper Foil Technology Company Limited (“**JCC Copper Foil**”), Jiangxi Copper – Taiyi Special Electrical Materials Company Limited, Jiangxi Copper (Longchang) Precise Copper Pipe Company Limited, JCC Copper Products Company Limited, JCC Huabei (Tianjin) Copper Co., Ltd. and JCC Huadong (Zhejiang Copper) Co., Ltd.

1. *Applications of main products of the Company are as follows:*

<b>Product</b>	<b>Use</b>
Copper cathode	It is a basic raw material for industries such as electrical, electronics, light industry, machinery manufacturing, construction, transportation and national defense
Copper rods and wires	For the production of copper cables and enamelled wires
Gold	It is a hard currency, which can also be used as raw material for electrical appliances, machinery, military industry and decorative crafts
Silver	It is a raw material for silver solder, electroplating, silver contacts and decorative crafts
Sulphuric acid	It is a raw material for chemical and fertilizers, and can be used in industries such as metallurgy, food, medicine, fertilizer and rubber

## 2. *Business model*

### (1) Procurement model

The Company's procurement of the main raw materials, copper concentrates and production equipment for production are as follows:

<b>Product</b>	<b>Procurement channel</b>	<b>Procurement method</b>	<b>Pricing method</b>
Copper concentrates	Domestic and foreign procurement	Purchased uniformly by the trading business department of the Company	For foreign procurement, the procurement price was determined by making reference to the LME copper price, the LBMA gold and silver price and by deducting the TC/RC from the above-mentioned metal prices, where the TC/RC was determined through negotiations between both parties of the transactions. For domestic procurement, the procurement price was determined by making reference to the copper price on the Shanghai Futures Exchange and by either deducting the corresponding processing fees from or multiplying the corresponding pricing factor by the average price or the spot price of the Shanghai Futures Exchange.
Thick copper, coarse copper	Domestic and foreign procurement		
Production equipment	Domestic and foreign procurement	Purchased uniformly by the material and equipment department of the Company	Compared to the market price

## (2) Sales model

<b>Product</b>	<b>Method of sales</b>	<b>Major sales market</b>
Copper cathode	The main consumer groups are users such as copper processing enterprises, including spot and futures trading, of which: direct sales are used for spot, and futures are traded through the centralised quotation system of Shanghai Futures Exchange	Mainly in Eastern China and Southern China, some products are exported to South Korea, Japan and Southeast Asia
Copper rods and wires	Long-term contracts are entered into with relatively stable major customers	Mainly in Eastern China, Southern China, Northern China and Southwest China
Gold	National unified acquisition or direct trading on the Shanghai Gold Exchange	
Silver	Export and domestic sales; for domestic sales, products are mainly sold to domestic industrial enterprises of electronics, electroplating, electrical alloys, silver nitrate, machinery, military, jewellery and other industries by direct sales	Mainly exported to Hong Kong and domestically to Eastern and Southern China
Sulphuric acid	Relatively long-term contracts are entered into with relatively stable major customers, and supplied and sold in installments	Mainly in Eastern China, Central China, Southern China, Southwest China and other regions

## (3) Production model

At present, there are two main smelting methods of copper smelting in the world: pyrometallurgical smelting and wet smelting. Pyrometallurgical smelting is to produce copper cathode by melting smelting and electrolytic refining, which is generally suitable for high-grade copper sulphide ore; whereas wet smelting is generally suitable for low-grade copper oxide, which is lower in cost, but has greater restrictions on the grade and type of ores, and has a higher impurity content. The Company mainly uses pyrometallurgical smelting for copper, and adopts wet smelting for gold.

## ***(II) Explanation on the industry***

From January to May 2022, the global pandemic and the deterioration of the Russian-Ukraine situation led to the continuing turmoil in the global industrial supply chain, the international oil price soared to an unprecedented high of USD130/barrel, and the commodity price generally remained high and fluctuating. However, the global inflation kept going upwards, and the US inflation rose to 9.1%, an all-time high, pushing up the expected contraction of the US Federal Reserve and the expected economic recession. In addition, the global copper mine supply recovered relatively quickly, the copper concentrate spot processing fee TC rose to USD 80/tonne, a record high in recent years, and the domestic and foreign demand for copper were dragged down by the pandemic and the high inflation in a relatively obvious manner. Domestically, apart from the field of new energy that had outstanding performance, the consumption in other industries generally remained at a negative growth. With all these influential factors, the copper price started to smoothly decrease from June to July.

Looking into the second half of this year, the global high inflation caused by the industrial supply chain problem may not be fixed effectively, and in the short run, the tightened liquidity globally may not be able to control the inflation rate to a reasonable range, and the high inflation may provide a relatively strong support for commodities. Meanwhile, it is expected that the global economic recession may gradually strengthen, and the market focus may swift gradually from raising interest rates to lowering interest rates. With the change of the international monetary policies and China's steady growth policy, the macroeconomic upturn domestically and abroad may stimulate the market's risk preference. Basically, the steady growth policy domestically may continue to take effect, and the consumption in new energy field may have outstanding performance. After the fall of the scrap copper price, the industry's reluctance to sell is obvious. With the consumption of refined copper replacing that of scrap copper, the tight situation of refined copper may continue. Overall, under the mutual support from the macro and basic aspects, the copper price may go stronger in the second half of the year.

## **II. ANALYSIS OF CORE COMPETITIVENESS DURING THE REPORTING PERIOD**

After years of development, the Group has grown into the largest supplier of copper cathodes in China. It has established the complete industrial chain integrated with exploration, mining, ore dressing, smelting and processing, with the following core competitive advantages:

### **1. *Scale advantage***

The Group has the largest production base of copper, associated gold and silver and owns an important base of sulphuric chemistry in the PRC. The Company owns the copper mine of the largest scale currently in the PRC, namely Dexing Copper Mine and a number of copper mines under production. As at 31 December 2021, the Company had 100% ownership in the resource reserves of approximately 8,619,000 tonnes of copper metal, 278.5 tonnes of gold, 8,138 tonnes of silver, and 200,000 tonnes of molybdenum. Among the resources jointly controlled by the Company and other companies, metal resource reserves attributable to the Company (based on its equity percentage) were approximately 4,435,000 tonnes of copper and 52 tonnes of gold. Humon Smelting, a controlled subsidiary of the Company and its subsidiaries have 150.38 tonnes of proven gold reserves which have completed reserve registration.

### **2. *Advantage of having a complete integrated industrial chain***

- (1) The Group is the largest integrated copper production enterprise in the PRC and has established its industrial chain with core businesses in mining, ore dressing, smelting and processing of gold and copper, as well as sulphuric chemistry and extraction and processing of precious and rare metals. The annual production of copper contained in copper concentrates of the Company is over 200,000 tonnes. Humon Smelting, a controlled subsidiary of the Company, has an annual production capacity of 50 tonnes of gold and 1,000 tonnes of silver and has production capacity of 0.25 million tonnes of electrolytic copper and 1.3 million tonnes of sulphuric acid as by-products.
- (2) The Group is currently the largest copper processing manufacturer in the PRC, with over 1,600,000 tonnes of copper products processed per year.

- (3) The production capacity of copper cathode of the Group is over 1,700,000 tonnes/year, and the Guixi Smelter of the Company is the copper smelter with the largest single smelting scale in the world.

### **3. *Advantage of technologies***

The Group possesses industry-leading copper smelting and mine development technologies. Guixi Smelter is the first entity to introduce the entire flash smelting technology production line in the PRC and its overall production technology and key techno-economic indicators have reached advanced international standards. Dexing Copper Mine is the largest modernised copper mine with advanced technological level in the PRC, and is the first to introduce international software for the design, planning and optimization of mining and the global satellite positioning system for truck dispatching. Humon Smelting has strong smelting technology and is the first professional factory to process high-lead complex gold concentrates by using oxygen bottom blowing smelting-reduction furnace pulverized coal bottom blowing direct reduction technology. It ranks first among the “PRC’s Top Ten Gold Smelting Enterprises”.

### **4. *Advantage of competitive cost***

Dexing Copper Mine owned by the Company is the largest copper open-pit mine in the PRC. The unit cash cost is below the industry average. At the same time, the advantages of mine resources further ensure the self-sufficiency rate of copper concentrates, which is conducive to the Company in smoothening the risk of fluctuations in the costs of raw materials. Guixi Smelter owned by the Company is the world’s largest single smelter, with leading technology and scale effect, giving the Company more cost advantage.

### **5. *Advantage of brand***

The “Guiye” copper cathode owned by the Company was successfully one-off registered with the LME in 1996 and is the first world-class brand of copper in the PRC. The Company is also the first enterprise in the copper industry of the PRC which has its three main products – copper cathode, gold and silver registered with the LME and the LBMA. The copper testing factory established based on the laboratory of Guiye Center of the Company is the only testing factory of copper cathode in the PRC recognized by the LME, which has completed a number of copper cathode tests by various domestic enterprises registered with the LME. The Company has established good and long-term relationship with world-class mining enterprises.

## **6. *Management and talent advantage***

The management team of the Company has extensive experience and has actively participated in the corporate governance of the Company for a long period and has professional and leading management level in the industry. In addition, the Company also reserves a large number of mining and smelting talents, with the expansion ability and advantages to replicate and operate same types of mining or smelting enterprise.

### **III. DISCUSSION AND ANALYSIS OF THE COMPANY'S OPERATION**

In the first half of 2022, influenced by the scattered outbreaks of the pandemic domestically, imported inflation and local heavy rainfall, the Company faced difficult challenges such as weak consumption in the downstream market, tight supply of overseas raw materials, poor integration of the industrial chain and supply chain, falling copper prices and rapidly rising costs. With the high morale and winning spirit of “we must undertake the tests, break the hurdles, and accomplish things no matter how hard they are”, the Company was able to cope with the impact of the unexpected factors by enhancing the pandemic prevention and flood control, seizing the time and increasing the efficiency with full efforts, grasping the focal points and breaking through difficulties while taking advantage of the situation.

From January to June 2022, the Company recorded an operating revenue of RMB255.248 billion, representing a period-on-period increase of 12.55% (the same period last year: RMB226.794 billion); and a net profit attributable to shareholders of the Company of RMB3.467 billion, representing a period-on-period increase of 13.93% (the same period last year: RMB3.043 billion). As at the end of June 2022, the Company's total assets amounted to RMB183.963 billion, representing an increase of 14.24% over that in the beginning of the year (at the beginning of the year: RMB161.035 billion).



**(I) Emphasizing production and manufacturing and steadily improving product quality**

<b>Product</b>	<b>Production from January to June 2022</b>	<b>Production from January to June 2021</b>	<b>Period-on-period increase (%)</b>
Copper cathode ( <i>ten thousand tonnes</i> )	<b>92.39</b>	90.13	2.51
Gold ( <i>tonnes</i> )	<b>47.87</b>	38.87	23.15
Silver ( <i>tonnes</i> )	<b>673.65</b>	614.37	9.65
Sulphuric acid ( <i>ten thousand tonnes</i> )	<b>267.74</b>	263.44	1.63
Processed copper products ( <i>ten thousand tonnes</i> )	<b>79.15</b>	75.01	5.52
Including: copper rods	<b>72.46</b>	67.42	7.48
Copper contained in self-produced copper concentrates ( <i>ten thousand tonnes</i> )	<b>10.16</b>	10.30	-1.36
Standard sulphuric concentrates ( <i>ten thousand tonnes</i> )	<b>127.13</b>	122.56	3.73
Conversion of molybdenum concentrates (45%) ( <i>tonnes</i> )	<b>4,299.00</b>	4,288.00	0.26

**(II) Emphasizing informatisation reform and steadily improving digital empowerment**

During the reporting period, the Company has prepared and completed the "Digital Jiangtong Top Level Design", and promoted digital empowerment on open pit mine, underground mine, copper smelting, copper processing, industrial park, Jiangtong Cloud, and data governance, promoted Jiangtong's industry-wide, all-round and chain-wide digital transformation through ten application areas such as cloud network structure, three networks integration and intelligent system, and made every effort to build a new industrialized digital ecology with Jiangtong's core while promoting the construction of digital industrialization with the state of "striving to be the first".

### ***(III) Emphasizing the industrial layout and steadily improving project construction***

Under the premise of ensuring safety and quality, the Company speeded up progress and worked nonstop for the following projects: the main infrastructure project of Kazakhstan Bakuta Tungsten Mine project was more than halfway through the schedule; the main and supporting works of three projects in JCC (Shangrao) Industrial Park began to take shape; the 180,000 tonnes copper cathode expansion project of JCC Guoxing (Yantai) Copper Company Limited (江銅國興(煙台)銅業有限公司) would be put into operation in the first quarter of next year; Wushan Copper Mine (武山銅礦) Phase III extension project, the 5,000 tonnes/day diversion pit project of Yinshan Mining and the 100,000 tonnes/year copper cathode expansion project of Qingyuan had all exceeded the schedule to complete the task; phase IV of the 20,000 tonnes/year electrolytic copper foil expansion project of JCC Copper Foil was about to start.

### ***(IV) Emphasizing innovation and creation and steadily strengthening enterprise through science and technology***

The first roll of 10,000 meters of 4 micron extremely thin lithium copper foil of JCC Copper Foil was successfully put in production, entering the ranks of the world's leading high-end copper foil manufacturers. High-performance new energy vehicles with  $\Phi 8.0\text{mm}$  oxygen-free copper rod passed a number of customer testings and user evaluation from third-party, the project construction would be launched upon the completion of the project review. The technology of Guiye anode mud treatment process was exported to the Indonesian project built by China Nonferrous Metal Industry's Foreign Engineering and Construction Co., Ltd. (中國有色金屬建設股份有限公司) for a fee for the first time, firmly moving towards being a global leader in providing the whole service process of project design, complete sets of equipment, technical services and construction and operation services to the world. The establishment of Beijing branch of Jiangxi Copper Technical Institution Co., Ltd. (江西銅業技術研究院有限公司) and introduction of senior experts in the field of carbon governance from Peking University as carbon neutralisation scientists of Jiangxi Copper Technical Institution Co., Ltd. to accelerate the scientific and technological innovation and industrial application of "double carbon" of Jiangtong. Build an open competition mechanism that selects the best candidates to lead key research projects to attract the Chinese Academy of Sciences (中國科學院), Peking University Nanchang Institute of Innovation (北京大學南昌創新研究院) and other 21 well-known institutions for joint participation.

***(V) Emphasizing enterprise reform and steadily improving modern governance***

The “1 + 9” ten in one scientific governance system featuring “scientific decision-making, standardised operation, strong execution, and efficient coordination” with the characteristics of Jiangtong, led by major party building, and supported by risk management, scientific innovation, supervision, coordination, position system, comprehensive budget, standard setting, digital empowerment, and enterprise culture, has been initially formed. Humon Smelting, Jiangxi Tongrui Information Technology Co., Ltd. (江西銅銳信息技術有限公司) and JCC Copper Foil completed the employee stock ownership.

***(VI) Emphasizing low-carbon environmental protection and steadily promoting green development***

Continuously promote the “four energy-saving and carbon-reducing actions”, implement the “five carbon peak support actions”, and accelerate the construction of the world’s leading green and intelligent industrial chain, supply chain and value chain. The Company, together with Jiangxi Copper Corporation Limited (“JCC”), the controlling shareholder of the Company, initiated and led 5 units, including Jiangxi Provincial Building Materials Group Co., Ltd. (江西省建材集團有限公司), SPIC Jiangxi Electronic Power Co., Ltd. (國家電投集團江西電力有限公司) and Jiangxi Fangda Steel Group Co., Ltd. (江西方大鋼鐵集團有限公司), as well as more than 40 enterprises in the province to set up the Jiangxi Enterprise Voluntary Pollution and Carbon Reduction Alliance (江西省企業自願減污降碳聯盟) to jointly explore and implement specific measures such as industrial carbon reduction, energy carbon reduction, technology decarbonization, system carbon control, ecological carbon fixation and low-carbon living. With full promotion of key research on energy saving and consumption reduction of smelting units, the electricity consumption of Guixi Smelter dropped by 16.5 million degrees from January to May, and it is expected to save more than 40 million degrees of electricity for the whole year.

## (IV) MAJOR OPERATING RESULTS DURING THE REPORTING PERIOD

### (I) Analysis of principal businesses

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

*Unit: Yuan Currency: RMB*

Items	For the period	For the same period last year	Changes (%)
Operating revenue	<b>255,247,861,204</b>	226,794,311,017	12.55
Operating cost	<b>246,584,150,046</b>	215,635,299,323	14.35
Taxes and surcharges	<b>660,036,052</b>	557,572,581	18.38
Selling expenses	<b>173,247,510</b>	162,260,512	6.77
Administrative expenses	<b>1,194,519,794</b>	1,267,904,459	-5.79
Finance costs	<b>378,039,379</b>	498,709,780	-24.20
Expenses on research and development	<b>415,484,837</b>	373,729,527	11.17
Net cash flow from operating activities	<b>7,339,203,609</b>	1,767,430,662	315.25
Net cash flow from investment activities	<b>-11,091,769,908</b>	-3,059,084,633	262.58
Net cash flow from financing activities	<b>7,193,239,879</b>	4,704,345,418	52.91
Impairment losses on assets	<b>2,073,322,998</b>	1,469,290,758	41.11
Impairment losses on credit	<b>132,953,628</b>	125,392,075	6.03
Gains on disposal of assets	<b>24,164,976</b>	47,562,005	-49.19
Other gains	<b>101,519,708</b>	66,995,522	51.53
Returns on investments	<b>94,823,606</b>	-2,903,185,922	-103.27
Gains arising from changes in fair value	<b>861,684,833</b>	113,004,856	662.52
Non-operating income	<b>41,449,355</b>	14,819,056	179.70
Non-operating expenses	<b>109,236,525</b>	86,450,163	26.36

Explanation on changes in operating revenue: It was mainly due to the changes in the sales volume and price of main products;

Explanation on changes in operating cost: It was mainly due to the changes in the sales volume and price of main products;

Explanation on changes in selling expenses: It was mainly due to the increase in selling expenses as a result of an increase in the sales volume of main products;

Explanation on changes in administrative expenses: It was mainly due to the decrease in amortisation of intangible assets;

Explanation on changes in finance costs: It was mainly due to the increase in foreign exchange gains;

Explanation on changes in expenses on research and development: It was mainly due to the increase in investment in research and development by the Company;

Explanation on changes in net cash flow from operating activities: It was mainly due to the Group's increased use of bank acceptance notes for settlement;

Explanation on changes in net cash flow from investment activities: It was mainly due to the increase in cash paid for investment;

Explanation on changes in net cash flow from financing activities: It was mainly due to the increase in borrowings obtained;

Explanation on changes in taxes and surcharges: It was mainly due to the increase in resources taxes arising from the change in price of main products;

Explanation on changes in impairment losses on assets: It was mainly due to the increase in the provision for impairment losses on assets;

Explanation on changes in impairment losses on credit: It was mainly due to the increase in the provision for impairment losses on credit;

Explanation on changes in gains on disposal of assets: It was mainly due to the decrease in disposal of assets;

Explanation on changes in other gains: It was mainly due to the increase in tax returns;

Explanation on changes in returns on investments: It was mainly due to closing positions in commodity futures contracts;

Explanation on changes in gains arising from changes in fair value: It was mainly due to the changes in fair value of commodity futures contracts;

Explanation on changes in non-operating income: It was mainly due to the increase in insurance indemnities and gains from scrapped fixed assets;

Explanation on changes in non-operating expenses: It was mainly due to the increase in expenses for restoration related to environmental protection.

## 2. *Others*

Detailed explanation of major changes in business types, the composition or source of profits of the Company

Not applicable

## ***(II) Explanation on major changes caused by non-principal business***

*Unit: Yuan Currency: RMB*

<b>Item</b>	<b>For the period</b>	For the same period last year	Changes
Impairment losses on assets	<b>2,073,322,998</b>	1,469,290,758	604,032,240
Impairment losses on credit	<b>132,953,628</b>	125,392,075	7,561,553
Gains on changes in fair value	<b>861,684,833</b>	113,004,856	748,679,977
Returns on investment	<b>94,823,606</b>	-2,903,185,922	2,998,009,528

### **(III) Analysis of assets and liabilities**

#### **1. Assets and liabilities**

*Unit: Yuan Currency: RMB*

Item	As at the end of the period	Share of total assets as at the end of the period (%)	As at the end of the previous period	Share of total assets as at the end of the previous period (%)	Changes as at the end of the period over the end of the previous period (%)	Explanation
Investment properties	867,262,038	0.47	603,419,772	0.37	43.72	Note 1
Construction in progress	3,764,103,465	2.05	2,862,627,924	1.78	31.49	Note 2
Short-term borrowings	47,837,656,543	26.00	33,475,782,117	20.79	42.90	Note 3
Lease liabilities	112,180,357	0.06	199,148,655	0.12	-43.67	Note 4
Held-for-trading financial assets	14,796,196,376	8.04	4,019,992,568	2.50	268.07	Note 5
Derivative financial assets	2,490,860,693	1.35	379,097,507	0.24	557.05	Note 6
Bills receivables	288,188,945	0.16	201,623,607	0.13	42.93	Note 7
Prepayments	4,746,174,393	2.58	1,737,027,198	1.08	173.24	Note 8
Derivative financial liabilities	553,403,460	0.30	290,968,651	0.18	90.19	Note 9
Bills payables	6,155,635,461	3.35	3,338,155,187	2.07	84.40	Note 10
Bonds payables	2,500,000,000	1.36	1,500,000,000	0.93	66.67	Note 11
Other non-current liabilities	30,750,854	0.02	103,684,433	0.06	-70.34	Note 12
Special reserve	533,361,979	0.29	404,008,963	0.25	32.02	Note 13

### *Other explanations*

- Note 1.* As at the end of the reporting period, the investment properties of the Group amounted to RMB867.26 million, representing an increase of RMB263.84 million (or 43.72%) as compared with the end of the period last year, mainly attributable to the ownership of pledged properties of customers obtained by the Group.
- Note 2.* As at the end of the reporting period, the construction in progress of the Group amounted to RMB3,764.10 million, representing an increase of RMB901.48 million (or 31.49%) as compared with the end of the period last year, mainly attributable to the increase in investment in construction in progress of the Group.
- Note 3.* As at the end of the reporting period, the short-term borrowings of the Group amounted to RMB47,837.66 million, representing an increase of RMB14,361.87 million (or 42.90%) as compared with the end of the period last year, mainly attributable to the new short-term borrowings of the Group.
- Note 4:* As at the end of the reporting period, the lease liabilities of the Group amounted to RMB112.18 million, representing a decrease of RMB86.97 million (or -43.67%) as compared with the end of the period of last year, mainly attributable to the payment of rent of land by the Group.
- Note 5.* As at the end of the reporting period, the held-for-trading financial assets of the Group amounted to RMB14,796.20 million, representing an increase of RMB10,776.20 million (or 268.07%) as compared with the end of the period of last year, mainly attributable to the increase in investments in debt instruments of the Group.
- Note 6.* As at the end of the reporting period, the derivative financial assets of the Group amounted to RMB2,490.86 million, representing an increase of RMB2,111.76 million (or 557.05%) as compared with the end of the period of last year, mainly attributable to the floating profit or loss of the futures business of the Group.
- Note 7.* As at the end of the reporting period, the bills receivables of the Group amounted to RMB288.19 million, representing an increase of RMB86.57 million (or 42.93%) as compared with the end of the period of last year, mainly attributable to the increase in commercial acceptance bills receivables of the Group.



- Note 8.* As at the end of the reporting period, the prepayments of the Group amounted to RMB4,746.17 million, representing an increase of RMB3,009.15 million (or 173.24%) as compared with the end of the period last year, mainly attributable to the increase in prepayments for raw materials and commodity trade purchases of the subsidiaries of the Group.
- Note 9.* As at the end of the reporting period, the derivative financial liabilities of the Group amounted to RMB553.40 million, representing an increase of RMB262.43 million (or 90.19%) as compared with the end of the period of last year, mainly attributable to the floating profit or loss of the futures business of the Group.
- Note 10:* As at the end of the reporting period, the bills payables of the Group amounted to RMB6,155.64 million, representing an increase of RMB2,817.48 million (or 84.40%) as compared with the end of the period of last year, mainly attributable to the use of bills for payment for raw materials and commodity trade purchases of the Group.
- Note 11:* As at the end of the reporting period, the bonds payables of the Group amounted to RMB2,500 million, representing an increase of RMB1,000 million (or 66.67%) as compared with the end of the period of last year, mainly attributable to the issuance of medium-term notes by the Group.
- Note 12:* As at the end of the reporting period, other non-current liabilities of the Group amounted to RMB30.75 million, representing a decrease of RMB72.93 million (or -70.34%) as compared with the end of the period of last year, mainly attributable to the decrease in absorption of time deposits with maturity dates of more than one year of the related parties by JCC Finance Company Limited, a subsidiary of the Group.
- Note 13:* As at the end of the reporting period, the special reserve of the Group amounted to RMB533.36 million, representing an increase of RMB129.35 million (or 32.02%) as compared with the end of the period of last year, mainly attributable to the increase in work safety funds of the Group.

## 2. Overseas assets

### (1) Asset size

Where: Overseas assets 1,999,915 (Unit: 0'000 Yuan Currency: RMB); share of total assets is 10.87%.

### (2) Information on the high proportion of overseas assets

Not applicable

## 3. Limitation of assets as at the end of the reporting period

Unit: Yuan Currency: RMB

Item	Book value at the end of the period	Reasons for the limitation
Cash and bank balances	18,958,417,621	They were the time deposits of the Group for the application of gold lease, issuance of letters of credit, bank guarantees and security deposits deposited by bank acceptance notes, the required statutory reserves deposited with the People's Bank of China, environment rehabilitation deposits, and pledged to secure short-term borrowings and frozen bank deposits and interest receivables.
Held-for-trading financial assets	8,262,069,284	Financial management products with book values of RMB8,262,069,284 were pledged as security deposits for issuance of letters of credit and bank acceptance notes.
Accounts receivable financing	505,913,747	Bank acceptance notes with book values of RMB505,913,747 were pledged to issue bank acceptance notes.
Other receivables	1,745,336,008	Futures deposits.

<b>Item</b>	<b>Book value at the end of the period</b>	<b>Reasons for the limitation</b>
Inventories	<b>1,815,598,390</b>	<p>Inventories with book values of RMB403,647,160 were pledged to secure short-term borrowings;</p> <p>Inventories with book values of RMB687,284,000 were pledged to issue letters of credit;</p> <p>Inventories with book values of RMB364,993,335 were placed as futures deposits;</p> <p>Inventories with book values of RMB9,506,490 were held by the court due to litigations;</p> <p>Inventories with book values of RMB350,167,405 were pledged to a commercial dispute.</p>
Investment properties	<b>152,929,194</b>	Held by court due to litigations.
Fixed assets	<b>786,233,167</b>	<p>Housing buildings with book values of RMB255,091,008 and machinery equipment with values of RMB249,267,800 were pledged to secure short-term bank borrowings;</p> <p>Housing buildings with book values of RMB93,726,151 and machinery equipment with values of RMB78,776,027 were pledged to secure long-term bank borrowings;</p> <p>Housing buildings with book values of RMB109,372,181 were held by court due to litigations.</p>

<b>Item</b>	<b>Book value at the end of the period</b>	<b>Reasons for the limitation</b>
Intangible assets	197,847,650	Land use rights with book values of RMB165,098,011 were pledged to secure short-term bank borrowings;  Land use rights with book values of RMB32,749,639 were pledged to secure long-term bank borrowings.
Other non-current assets	3,544,748,949	Time deposits with maturity dates of more than one year with book values of RMB1,458,268,163 were pledged to issue bank acceptance notes;  Time deposits with maturity dates of more than one year with book values of RMB17,500,000 were pledged to issue bank guarantees;  Time deposits with maturity dates of more than one year with book values of RMB2,068,980,786 were pledged to secure long-term bank borrowings of RMB1,955,000,000.

***(IV) General analysis of external investment in equity***

*Unit: 0'000 Yuan Currency: RMB*

Investment during the reporting period	42,000.00
Investment during the same period last year	63,116.90
Extent of year-on-year increase/decrease (%)	-33.46

No.	Name of investee	Principal activity	Share of interests in the investee (%)	Investment amount
1	Jiangxi Copper Technical Institution Co., Ltd. (江西銅業技術研究院有限公司)	General projects: technical services, technical development, technical consultation, technology exchange, technology transfer, technology promotion, new materials technology research and development, non-ferrous metal alloy manufacturing, non-ferrous metal alloy sales, metal materials manufacturing, high-performance non-ferrous metal and alloy materials sales, basic chemical raw materials manufacturing (excluding the manufacture of hazardous chemicals and other licensed chemicals), chemical products sales (excluding licensed chemical products), graphite and carbon products manufacturing, graphite and carbon products sales, paint manufacturing (excluding dangerous chemicals), paint sales (excluding dangerous chemicals), special chemical products manufacturing (excluding dangerous chemicals), special chemical products sales (excluding dangerous chemicals), software development, software sales, machinery and equipment research and development, metallurgical special equipment manufacturing, mining machinery manufacturing, machinery and equipment sales	100	8,000.00

No.	Name of investee	Principal activity	Share of interests in the investee (%)	Investment amount
2	JCC Guoxing (Yantai) Copper Company Limited (江銅國興(煙台)銅業有限公司)	Production of copper sulfate, electrolytic copper and non-ferrous metal products. Wholesale and retail of copper, aluminum, lead, zinc, nickel, tin, tellurium, platinum, palladium, bismuth and mineral products, zinc sulfate, aluminum sulfate, descaling sand; import and export business of goods and technology; non-ferrous metal new product development, exchange, technology promotion and transfer services; scientific research project agency services; scientific research enterprise technology support services; scientific and technological information consulting services; general freight transportation; investment in copper smelting-related industries with own funds (without the approval of financial regulatory authorities, deposit-taking, financial guarantee, customer financial management and other financial services shall not be engaged in)	65	32,500.00
3	Jiangxi Tongxing Inspection and Testing Co., Ltd.(江西銅興檢驗檢測有限公司)	Permitted items: inspection and testing services (for projects which require approvals in accordance with the laws, business activities may only be carried out after approvals by the relevant departments)	100	1,500.00

*Note: The above-mentioned statistical caliber is based on the actual amount of capital contributed by the Group during the reporting period, which includes capital contributions to non-wholly owned subsidiaries, associate companies, joint ventures or newly established companies (including contributions by equity, debt, etc.); the amount of equity investments by subsidiaries is not included.*

**(V) Significant equity interest investment**

Not applicable

**(VI) Significant non-equity interest investment**

Not applicable

**(VII) Financial assets measured at fair value**

Unit: Yuan Currency: RMB

Item	Opening balance	Closing balance	Change during the period	Impact on the profit for the period
Held-for-trading financial assets	4,019,992,568	<b>14,796,196,376</b>	10,776,203,808	91,515,958
Receivables financing	2,535,148,368	<b>3,117,927,310</b>	582,778,942	0
Other non-current financial assets	1,266,705,556	<b>1,177,265,610</b>	-89,439,946	-175,786,613
Other equity instrument investments	19,260,619,266	<b>16,170,228,659</b>	-3,090,390,607	2,438,701
Held-for-trading financial liabilities	0	<b>-282,506,400</b>	-282,506,400	-3,632,206
Derivative financial instruments ("-" represents liabilities and "+" represents assets)	88,128,856	<b>1,937,457,233</b>	1,849,328,377	1,811,748,882
Change in fair value of hedged items	<u>6,311,663,309</u>	<u><b>6,947,354,479</b></u>	<u>635,691,170</u>	<u>-811,572,248</u>
Total	<u><b>33,482,257,923</b></u>	<u><b>43,863,923,267</b></u>	<u><b>10,381,665,344</b></u>	<u><b>914,712,474</b></u>

**(VIII) Material disposal of assets and equity interests**

Not applicable

## **(V). OTHER DISCLOSURES**

### **(I) Potential Risks**

#### *1. Production safety risks*

During mining and dressing of ore and copper smelting, potential safety hazards may occur due to natural or human factors. Failure to detect and eliminate such factors in time will lead to major accidents, causing major property losses and environmental impact.

In response to the risk of production safety, the Group will, as always, formulate and strictly implement a series of preventive measures suitable for the actual situation of the Company in accordance with national laws and regulations on production safety, strengthen production operation procedures and accident emergency rescue plans to avoid or eliminate losses caused to the Company by natural or human factors. At the same time, a portion of the properties of the Company has been insured to reduce related risks and losses.

#### *2. Exchange rate fluctuation risks*

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

In response to the exchange rate fluctuation risks, the Company will closely monitor the changes in national foreign exchange policies and exchange rate information, enhance its ability to determine changes and trends of the international exchange rate market to make prudent decisions, flexible responses, and scientific grasp on the timing of raw material imports, the choice of the country or region where the products are exported, and the exchange rate hedging, so as to avoid the above -mentioned risks arising from exchange rate fluctuations.



### *3. Risks from product price fluctuations*

The Group is the largest copper cathode producer in the PRC and one of the largest gold and silver producers in the PRC. The Group's product prices are mainly determined with reference to the prices of related products listed on the LME and the Shanghai Metal Exchange. Copper, gold and silver are important trading varieties in the international non-ferrous metal market and have their own pricing mechanisms in international market. Due to the scarcity of resources of copper, gold and silver metals, the prices of copper, gold and silver metals are highly volatile, as they are affected by various factors, including the global economy, the relationship between supply and demand, market expectations and speculations. Price fluctuations will affect the revenue and operating stability of the Company.

In order to minimize the impact of product price fluctuations on productions and operations, the Group intends to take the following measures to protect against risk from product price fluctuations: (1) closely monitor the trend of copper and gold prices in the international market, strengthen the analysis and research of various factors affecting the price trend of products, and take timely measures such as hedging to avoid risk from product price fluctuations; (2) the Group will take the world's leading copper mines and smelting companies as benchmark, actively adopt new processes and technologies while improving management and operation efficiency, further reducing costs and expenses to resist the risk from product price fluctuations; (3) strengthen financial management level, enhance fund management, and reasonably arrange the procurement of raw materials and product sales of the Company to reduce the risk of significant tie-up of working capital of the Company due to rising product prices; and (4) strengthen the management of inventories and work-in-progress products, reduce inventories to the greatest extent to keep inventories at a reasonable level and reduce capital occupation.

#### 4. *Risks from changes in market environment*

The risks to the Company from changes in the market environment come from three aspects: (1) the development and operation of the macro economy directly affects total consumption demand, and the demand for the products of the Company will also alter according to the changes in the macro economic cycle; (2) the demand from downstream market for products may change. For example, the market demand for copper products are mainly from consumption in the power, electrical, light industry, electronics, machinery manufacturing, transportation and construction industries. The development level and growth rate during different periods are imbalanced, and the demand for copper is also different, which will have a cyclical impact on the future business development of the Company; (3) with the continuous improvement of research and production technology, the types and performance of relevant substitutes in the product application industry of the Company will continue to improve, which will have a direct impact on the product demand of the Company.

In response to the risk from changes in the market environment, the Company will closely grasp the trend of the macro economy, pay attention to changes in related downstream industries, and strengthen industry research in order to further improve product quality and reduce production costs following changes in the market environment and actively develop new products that are more adaptable to market needs, and minimize as much as possible the adverse impact from changes in the market environment on the operations of the Company.

#### 5. *Environmental protection risks*

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

## 6. *Risk from uncertainties*

In 2022, the global pandemic has been alleviated and controlled to a certain extent. However, the pressure of pandemic prevention and control is still relatively high, and the domestic pandemic also showed scattered occurrence. Thus, risks from uncertainties still exist.

The Group conscientiously implements the work arrangements of the Central Committee of the Chinese Communist Party, the State Council of the PRC and Jiangxi Provincial Government on winning the prevention and control battle against the COVID-19 pandemic. We resolutely take the pandemic prevention and control as the most important task at current stage, and launch a series of anti-pandemic actions. At the same time, the Group will continue to pay close attention to the development of the pandemic and actively respond to the potential impact on the financial position, operating results and other aspects of the Company.

In addition, the intensifying competition among major powers and the ongoing regional conflicts bring certain geopolitical risks. In the face of the complex international situation, the Company will strengthen its analysis and judgment, adhere to operation in compliance with laws and regulations, and continue to protect the safety of overseas projects and overseas assets.

### **(II) Other Disclosures**

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

Since the publication of the 2021 annual report, there has been no material change in the likely future business development of the Group, including the prospects of the Company for the current accounting year.

#### **IV. CHANGES IN SHARE CAPITAL AND SHAREHOLDERS**

##### **(I) Statement of Changes in Shares**

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

##### **(II) Changes in Shares Subject to Lock-up**

Not applicable

##### **(III) Shareholders**

###### ***(1) Total number of shareholders***

Total number of ordinary shareholders at the end of the reporting period	160,867
Total number of preference shareholders with voting rights restored at the end of the reporting period	0

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

*Shareholdings of the top ten shareholders*

*Unit: Share*

Name of shareholder (full name)	Increase/ decrease during the reporting period	Number of shares held at the end of the reporting period	Percentage (%)	Number of shares held subject to lock-up	Pledge, marking or freeze Share status	Number	Nature of shareholder
JCC	18,790,500	1,512,408,110	43.68	0	Nil	0	State-owned legal person
HKSCC Nominees Limited ("HKSCC")	-104,000	1,073,420,014	31.00	0	Nil	0	Overseas legal person
China Securities Finance Corporation Limited	0	103,719,909	3.00	0	Nil	0	State-owned legal person
Hong Kong Securities Clearing Company Limited	16,298,925	47,183,405	1.36	0	Nil	0	Overseas legal person
Yang Weiyu	8,345,500	16,051,051	0.46	0	Nil	0	Unknown
Haitong Securities Company Limited	4,258,143	4,504,043	0.13	0	Nil	0	Unknown
Liu Ding	0	4,170,451	0.12	0	Nil	0	Unknown
CLSA Asset Management Limited- customer fund	3,106,110	3,124,081	0.09	0	Nil	0	Unknown
Cao Baoping	1,523,200	2,787,900	0.08	0	Nil	0	Unknown
Industrial and Commercial Bank of China Limited- Southern China Securities Shenwan Non-ferrous Metal Exchange Traded Open- ended Index Fund	-108,100	2,635,349	0.08	0	Nil	0	Unknown

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

*Unit: Share*

Name of shareholder	Number of tradable shares held not subject to lock-up	Class and number of shares	
		Class	Number
JCC	1,512,408,110	Ordinary shares denominated in RMB (A Shares)	1,203,951,110
		Overseas listed foreign shares (H Shares)	308,457,000
HKSCC	1,073,420,014	Overseas listed foreign shares (H Shares)	1,073,420,014
China Securities Finance Corporation Limited	103,719,909	Ordinary shares denominated in RMB (A Shares)	103,719,909
Hong Kong Securities Clearing Company Limited	47,183,405	Ordinary shares denominated in RMB (A Shares)	47,183,405
Yang Weiyu	16,051,051	Ordinary shares denominated in RMB (A Shares)	16,051,051
Haitong Securities Company Limited	4,504,043	Ordinary shares denominated in RMB (A Shares)	4,504,043
Liu Ding	4,170,451	Ordinary shares denominated in RMB (A Shares)	4,170,451
CLSA Asset Management Limited- customer fund	3,124,081	Ordinary shares denominated in RMB (A Shares)	3,124,081
Cao Baoping	2,787,900	Ordinary shares denominated in RMB (A Shares)	2,787,900
Industrial and Commercial Bank of China Limited- Southern China Securities Shenwan Non-ferrous Metal Exchange Traded Open-ended Index Fund	2,635,349	Ordinary shares denominated in RMB (A Shares)	2,635,349
The explanation on special repurchase accounts of top ten shareholders	Nil		
The explanation on entrusting/being entrusted voting rights or waiving voting rights of the aforesaid shareholders	Nil		
The explanation of the connected relationship or parties acting in concert among the aforesaid shareholders	Nil		
The explanation of the preferred shareholders with restored voting rights and their shareholding	Nil		

**Notes:**

1. HKSCC held a total of 1,073,420,014 H Shares of the Company in the capacity of nominee on behalf of a number of customers, representing approximately 31.00% of the issued share capital of the Company. HKSCC is a member of the Central Clearing and Settlement System, providing registration and custodial services for customers.

2. The 308,457,000 H Shares held by JCC have been registered with HKSCC and were separately listed from the shares held by HKSCC when disclosed in the table above. Taking into account the H Shares held by JCC, HKSCC held 1,381,877,014 Shares as nominee, representing approximately 39.91% of the issued share capital of the Company.
3. During the reporting period, JCC, the controlling shareholder, commenced the business of securities lending. The increase in the number of shares held by JCC as shown in the above table during the reporting period is in fact the number of shares returned from the securities lending.
4. As at 30 June 2022, the net securities lending from JCC was 1,528,000 A shares. If the number of securities lending is included, the actual holding of JCC is 1,513,936,110 shares, representing approximately 43.72% of the issued share capital.

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

Not applicable

***(III) Strategic investors or general corporate investors who become the top ten shareholders due to the placement of new shares***

Not applicable

***(IV) Changes in Controlling Shareholder and Ultimate Controller***

Not applicable

## V. SIGNIFICANT EVENTS

### (I) Changes in Directors, Supervisors and senior management of the Company

Name	Position held	Change
Zhao Bicheng	Supervisor	Elected
Gong Bin	Supervisor	Elected
Zeng Min	Supervisor	Resigned
Zhang Kui	Supervisor	Resigned

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

It is inconvenient for Mr. Zeng Min and Mr. Zhang Kui, former employee Supervisors of the ninth session of the Supervisory Committee, to perform their duties as employee Supervisors due to job position rotation. According to the requirements of the Company Law of the People's Republic of China and the Articles of Association of Jiangxi Copper Company Limited, the Company convened the fourth meeting of the fourth session of the employee representative meeting, and elected Mr. Zhao Bicheng and Ms. Gong Bin to replace Mr. Zeng Min and Mr. Zhang Kui as the employee Supervisor of the ninth session of the Supervisory Committee of the Company.

### (II) Proposal of Profit Distribution Plan or Conversion of Capital Reserve to Share Capital

#### 1. *Proposal of profit distribution plan and conversion of capital reserve to share capital for the interim reporting period*

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



### **(III) Appointment and Removal of Accounting Firms**

**1. *Explanation on appointment and removal of accounting firms***

On 17 June 2022, the Company held the regular annual general meeting for the year 2021 and passed the “Resolution regarding the appointment of Ernst & Young Hua Ming LLP and Ernst & Young respectively as the Company’s 2022 domestic (including internal control audit) and overseas auditors.”

**2. *The Company’s explanation for “non-standard audit report” given by the auditors***

Not applicable

**3. *Explanation on the issuance of “non-standard audit report” by the registered accountant in the financial statements of last year’s annual report by the Company***

Not applicable

### **(IV) Matters Relating to Bankruptcy and Restructuring**

Not applicable

## (V) Material Litigation and Arbitration

### (I) *Litigation and arbitration disclosed in announcements and without subsequent development*

<b>Brief description and type of the litigation and arbitration</b>	<b>Reference for inspection</b>
Litigation filed by Bangdi Auto Technology Company Limited (幫的汽車科技有限公司) against Shenzhen Jiangxi Copper Marketing Company Limited (深圳江銅營銷有限公司), a wholly-owned subsidiary of the Company (contract dispute)	Disclosure website: <a href="http://www.sse.com.cn">www.sse.com.cn</a> ; Announcement No.: Lin 2019-030; Disclosure date: 13 June 2019
Litigation filed by Jiangxi Copper International Trade Co., Ltd. (江銅國際貿易有限公司), a subsidiary held as to 59.05% by the Company, against Shanghai Eagle Investment Group Co., Ltd. (上海鷹悅投資集團有限公司) and its guarantors (contract dispute)	Disclosure website: <a href="http://www.sse.com.cn">www.sse.com.cn</a> ; Announcement No.: Lin 2019-031; Disclosure date: 21 June 2019

**(II) Litigation and arbitration not disclosed in announcements or with subsequent development**

Unit: Yuan Currency: RMB

During the reporting period:

Plaintiff (applicant)	Defendant (appellee)	Parties with several and joint liability	Types of litigation and arbitration	Basic information of litigation (arbitration)	Amount involved in litigation (arbitration) and amount	Whether estimated liability arose from the litigation (arbitration)	Current status of the litigation (arbitration)	Results of trial of litigation (arbitration) and effects thereof	Enforcement of litigation (arbitration) judgments
Shanghai Jiangxi Copper Trading Company Limited (上海銅管有限公司) (“Shanghai JCT”)	Zhejiang Honglei Southeast Real Estate Development Co., Ltd. (浙江宏磊東南房地產開發有限公司) (“Zhejiang Honglei Company”), Yingtian City Luzhou Real Estate Co., Ltd. (鷹潭市綠洲置業有限公司), Zunyi Honglei Real Estate Development Co., Ltd. (遵義宏磊房地產開發有限公司), Qi Jianning	Shanghai Zhimaimai Industrial Co., Ltd. (上海智脈源和實業有限公司) (“Zhimai Company”), Jin Lei, Shi Huixia	Second hearing	Please refer to the Announcement on the Follow-up Progress of the Litigation of a Subsidiary of Jiangxi Copper Co., Ltd. (Announcement No.: Lin 2022-031) disclosed in Shanghai Securities News and the website of Shanghai Stock Exchange at www.sse.com.cn on 1 July 2022	181,903,998.99	No	Second hearing concluded	Upheld the first hearing judgment., as (1) the defendant Zhimai Company shall pay Shanghai JCT, the plaintiff, the total amount of goods of RMB77,983,474.74 within 10 days from the effective date of the judgement; (2) the defendant Zhimai Company shall pay default payment for late payment to Shanghai JCT, the plaintiff, within 10 days from the effective date of the judgement, among which, the total interest payable on the amount of goods from May 2014 to 30 June 2017 shall be RMB103,845,524.25; using RMB77,983,474.74 as the base amount, from 1 July 2017 to 19 August 2018, interest shall be calculated at 1.2 times of the benchmark interest rate for bank loans during the same period (“LPR”), and calculated at 1.2 times of the LPR from 20 August 2018 to the date of actual payment; (3) the defendant Zhimai Company shall pay RMB75,000 legal fees to Shanghai JCT, the plaintiff, within 10 days from the effective date of the judgement; if Zhimai Company fails to perform the payment obligations and pay the litigation costs confirmed in judgements 1 to 3 above, Shanghai JCT, the plaintiff, may: (4) agree with the defendant Qi Jianning to receive a prioritised compensation of the discounted mortgaged properties of her housing ownerships and corresponding land use rights or the proceeds through auctioning and disposal of such mortgaged properties, within the scope of the maximum claim amount of RMB226,720,000;	Enforcement has not begun

Plaintiff (applicant)	Defendant (appellee)	Parties with several and joint liability	Types of litigation and arbitration	Basic information of litigation (arbitration)	Amount involved in litigation (arbitration) and amount	Whether estimated liability arose from the litigation (arbitration) of the Current status of the litigation (arbitration)	Enforcement of litigation (arbitration) judgments
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Results of trial of litigation (arbitration) and effects thereof

(5) agree with the defendant Jin Lei to receive a prioritised compensation of the discounted mortgaged properties of his housing ownerships and corresponding land use rights or the proceeds through auctioning or disposal of such mortgaged properties, within the scope of the maximum claim amount of RMB56,170,000; (6) agree with the defendant Shi Huixia to receive a prioritised compensation of the discounted mortgaged properties of her housing ownerships and corresponding land use rights or the proceeds through auctioning or disposal of such mortgaged properties, within the scope of the maximum claim amount of RMB23,250,000; (7) agree with the defendant Zhejiang Honglei Company to receive a prioritised compensation of the discounted relevant equity interests or the proceeds through auctioning or disposal of such pledged interests, within the scope of the maximum claim amount of RMB45,000,000; (8) the remaining claims initiated by Shanghai JCT, the plaintiff, were rejected.

**(VI) Suspected Violation of Laws and Regulations by, Punishment on and Rectification of the Company and its Directors, Supervisors, Senior Management, Controlling Shareholders and De Facto Controllers**

Not Applicable

**(VII) Explanation on the Credit Conditions of the Company, its Controlling Shareholders and De Facto Controllers During the reporting period**

Not Applicable

**(VIII) Share Option Scheme, Employee Shareholding Plan or Other Employee Incentives and Their Effects**

Not applicable

**(IX) Corporate Bonds**

**1. Basic information of corporate bonds**

*Unit: hundred million Yuan Currency: RMB*

Name of bonds	Abbreviation	Code	Issue date	Value date	Maturity date	Bonds balance	Interest rate (%)	Repayment of principal and interest	Trading venue	Arrangement to ensure the suitability of investors (if any)	Trading mechanism	Whether there is any risk of termination of listing and trading of the shares
2017 Corporate Bonds (First Tranche) publicly issued to qualified investors by Jiangxi Copper Company Limited	17 JCC 01	143304	20 September 2017	21 September 2017	21 September 2022	5	4.74	The interest is payable on a yearly basis and the principal is payable upon maturity.	Shanghai Stock Exchange	Nil		No
2021 Corporate Bonds (First Tranche) publicly issued to professional investors by Jiangxi Copper Company Limited	21 JCC 01	185088	3 December 2021	6 December 2021	6 December 2023	10	2.83	The interest is payable on a yearly basis and the principal is payable upon maturity.	Shanghai Stock Exchange	Nil		No

*The Company's response to the risk of the termination of listing and trading of the bonds*

Not applicable

*Overdue bonds*

Not applicable

*Explanation on overdue debts*

Not applicable

**2. *The trigger and operation of issuer or investor option terms and investor protection terms***

- (1) 2017 Corporate Bonds (First Tranche) publicly issued to qualified investors by Jiangxi Copper Company Limited

In order to adequately and effectively protect the interests of bondholders, the issuer has made a series of work plans to ensure the timely and full repayment of the corporate bonds, including designation of dedicated departments and personnel, preparation of debt repayment funds, formulation of management measures with proper organization and coordination, and the enhancement of information disclosure, etc., which constituted a complete set of measures to ensure the redemption of the bonds.

- (I) The proceeds shall be used in strict accordance with its purpose

The issuer will ensure that the proceeds of the bonds are used in accordance with the resolutions of the Board and in accordance with the purposes disclosed in the prospectus. The relevant business departments will strictly inspect the use of proceeds to ensure the smooth operation of the investment, utilization and audit of the proceeds.

- (II) Designate dedicated person to be responsible for the repayment of the bonds

The issuer will designate the finance department to take the lead in coordinating the repayment of the bonds, and arrange the payment of the principal and interest of the bonds in the annual financial budget through other relevant departments of the Company to ensure the timely repayment of the principal and interest, so as to secure the interests of bondholders. Within fifteen (15) business days prior to the repayment date of interest and principal, the issuer will designate a dedicated person to be responsible for the repayment of the interest and principal to ensure its full repayment.

- (III) Make good use of the role of bond trustee

The bond trustee system has been introduced for the bonds. The bond trustee will supervise the relevant situation of the issuer on behalf of the bondholders, and take all necessary and feasible measures on behalf of the bondholders when the principal and interest of the bonds cannot be repaid on time, to protect the legitimate interests of bondholders. The issuer will cooperate with the bond trustee to perform its duties in strict accordance with the provisions of the Agreement on Bond Trustee Management, regularly report the issuer's performance of its commitment to the bond trustee, and promptly notify the bond trustee when the issuer may default on the bonds, so as to facilitate the bond trustee to take necessary measures in accordance with the Agreement on Bond Trustee Management in a timely manner. For the rights and obligations of the bond trustee, please refer to "Section X. Bond Trustee" in the prospectus.

- (IV) Formulate the rules for bondholders meeting

The issuer and the bond trustee have jointly formulated the Rules for Bondholders Meeting in accordance with the requirements of the Administrative Measures on the Issuance and Transaction of Corporate Bonds, stipulating the scope, procedures and other important matters for bondholders to exercise their rights through the bondholders meeting and making reasonable institutional arrangements to ensure the repayment of the principal and interest of the bonds as agreed.

(V) Strict disclosure of information

The issuer will follow the principle of truthful, accurate and complete information disclosure, so that the solvency and the use of proceeds of the Company will be supervised by bondholders, bond trustees and shareholders to prevent solvency risks. The issuer will disclose material information in accordance with the Agreement on Bond Trustee Management, the relevant regulations of the China Securities Regulatory Commission and the Shanghai Stock Exchange and other regulatory authorities. The issuer will submit and disclose the annual report of the previous year and the interim report of the current year to the Shanghai Stock Exchange within 4 months from the end of each fiscal year and within 2 months from the end of the first half of each fiscal year. The issuer's annual report shall be audited by an accounting firm qualified to engage in securities service business.

(2) 2021 Corporate Bonds (First Tranche) publicly issued to professional investors by Jiangxi Copper Company Limited

The issuer undertakes that the debt repayment funds of the bonds will be financed primarily from the monetary funds of the issuer's consolidated financial statements. According to the issuer's consolidated financial statements, the unrestricted monetary funds at the end of each semi-annual period of the duration of the bonds shall not be less than RMB2 billion. In order to facilitate the trustees and holders of the bonds to understand and monitor the changes in the funds, the issuer undertakes to disclose the balance of the monetary funds and restrictions at the end of the reporting period at each semi-annual period of the duration of the bonds. The issuer regularly tracks and monitors the stability of the source of debt repayment funds on a semi-annual basis. If the source of debt repayment funds is lower than the commitment requirements, the issuer will take measures such as asset realization, debt collection and improvement of business performance in a timely manner to ensure that the indicators related to the source of debt repayment funds in the next monitoring period meet the commitment requirements. If the issuer fails to meet the commitment requirements during two consecutive monitoring periods, the issuer shall collect funds in advance before the latest interest payment or redemption date. The issuer shall collect 20% of the debt repayment funds no later than one month prior to the latest interest payment or redemption date, and shall collect 50% of the funds no later than five business days



prior to the latest interest payment or redemption date. When the stability of the source of the issuer's debt repayment funds has changed significantly, the commitment has not been fulfilled, or it is expected to be unable to meet the repayment requirements for the principal and interest of the bonds, the issuer shall take and implement corresponding measures in a timely manner, inform the trustee within two business days and fulfill its obligations for information disclosure. If the issuer violates the commitment to the stability of the source of debt repayment funds and fails to collect the debt repayment funds in accordance with the above-mentioned payment agreement, the holder has the right to require the issuer to take negative relief measures in accordance with the investor protection mechanism.

**3. *Adjustment to credit rating results***

Not applicable

**4. *Implementation and changes in guarantees, debt repayment plan and other debt repayment protection measures during the reporting period and their impact***

Not applicable

**5. *Other information on corporate bonds***

Not applicable

**(X) The following major accounting data and financial indicators as at the end of the reporting period and the end of last year (or the current reporting period and the same period of last year)**

*Unit: Yuan Currency: RMB*

Major indicators	As at the end of the current reporting period	As at the end of last year	Increase/ decrease from the end of last year (%)
	Liquidity ratio	<b>1.36</b>	1.39
Quick ratio	<b>0.94</b>	0.84	11.90
Asset-liability ratio (%)	<b>58.04</b>	51.68	6.36
	As at the current reporting period (January to June)	As at the same period of last year	Increase/ decrease from the same period of last year (%)
Net profit after the non-recurring profit or loss	<b>2,756,439,259</b>	5,209,514,632	-47.09
EBITDA total debt ratio	<b>14.99</b>	14.44	3.81
Interest coverage ratio	<b>5.16</b>	4.87	5.95
Cash interest coverage ratio	<b>7.48</b>	2.71	176.01
EBITDA interest coverage ratio	<b>6.38</b>	6.32	0.95
Loan repayment rate (%)	<b>100</b>	100	0.00
Interest repayment rate (%)	<b>100</b>	100	0.00

**(XI) Changes in Accounting Policies, Accounting Estimates and Accounting Methods Compared with the Previous Accounting Period, Their Causes and Impacts**

Not applicable

## **(XII) Audit Committee**

The Company has convened Audit Committee meeting at which the unaudited interim condensed consolidated financial statements and the interim results report for the six months ended 30 June 2022 were considered and approved.

## **(XIII) Code on Corporate Governance Practices**

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

To the knowledge of the Board, the Company has been in full compliance with all the code provisions as set out in Part 2 of Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) during the reporting period, with the exception of the following:

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

Under code provision C.2.1 of the Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Since the cessation of Mr. Long Ziping as the chairman of the Company on 9 September 2020, the role of the chairman has been taken up by Mr. Zheng Gaoqing, the general manager of the Company and the responsibilities of the general manager were shared by each of the deputy general managers of the Company within the scope of their authorities (where necessary).

## **(XIV) Purchase, Sale or Redemption of the Company’s Listed Securities**

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

## **(XV) Model Code for Securities Transactions by Directors**

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

## (XVI) Detailed Results Announcement

The interim report for 2022 containing all relevant information required by Appendix 16 to the Listing Rules will be despatched to shareholders and be published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.jxcc.com>) in due course.

### VI. UNAUDITED INTERIM FINANCIAL INFORMATION PREPARED IN ACCORDANCE WITH IFRS

#### INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2022

(PREPARED IN ACCORDANCE WITH IFRS)

		Six months ended 30 June	
		2022	2021
	NOTES	RMB'000	RMB'000
		(Unaudited)	(Unaudited)
Revenue	5	254,587,825	226,236,738
Cost of sales		<u>(248,404,150)</u>	<u>(215,904,604)</u>
Gross profit		6,183,675	10,332,134
Other income	5	757,134	653,117
Other gains and losses, net	6	1,105,794	(3,793,167)
Selling and distribution expenses		(173,248)	(162,261)
Administrative expenses		(1,687,881)	(1,718,656)
Provision for impairment losses on financial assets, net		(132,954)	(125,392)
Finance costs		(1,125,924)	(1,035,434)
Share of profits and losses of:			
Joint ventures		(15,304)	(18,868)
Associates		<u>(128,576)</u>	<u>(63,770)</u>
<b>PROFIT BEFORE TAX</b>	7	<b>4,782,716</b>	4,067,703
Income tax	8	<u>(915,413)</u>	<u>(776,746)</u>
<b>PROFIT FOR THE PERIOD</b>		<b><u>3,867,303</u></b>	<b><u>3,290,957</u></b>

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2022**  
(PREPARED IN ACCORDANCE WITH IFRS)

	<b>Six months ended 30 June</b>	
	<b>2022</b>	<b>2021</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Attributable to:</b>		
Owners of the Company	<b>3,595,912</b>	3,153,039
Non-controlling interests	<b>271,391</b>	137,918
	<b><u>3,867,303</u></b>	<u>3,290,957</u>
<b>EARNINGS PER SHARE</b>		
<b>ATTRIBUTABLE TO ORDINARY</b>		
<b>EQUITY HOLDERS OF</b>		
<b>THE COMPANY:</b>		
– Basic and diluted	<b><u>RMB1.04</u></b>	<u>RMB0.91</u>
<b>PROFIT FOR THE PERIOD</b>	<b><u>3,867,303</u></b>	<u>3,290,957</u>
<b>OTHER COMPREHENSIVE INCOME</b>		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	<b>80,280</b>	(8,285)
Share of other comprehensive expenses of joint ventures	<b>(455)</b>	(5,663)
Share of other comprehensive income of associates	<b>114,891</b>	5,778
Net other comprehensive income/(expenses) that may be reclassified to profit or loss in subsequent periods, net of tax	<b><u>194,716</u></b>	<u>(8,170)</u>

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2022**  
(PREPARED IN ACCORDANCE WITH IFRS)

	<b>Six months ended 30 June</b>	
	<b>2022</b>	2021
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	(Unaudited)
Other comprehensive income to that will not be reclassified to profit or loss in subsequent periods:		
Equity investments at fair value through other comprehensive income:		
Changes in fair value	<b>(3,090,391)</b>	4,051,740
Income tax effect	<b>6</b>	–
	<hr/>	<hr/>
Net other comprehensive (expenses)/income that will not be reclassified to profit or loss in subsequent periods, net of tax	<b>(3,090,385)</b>	4,051,740
	<hr/>	<hr/>
<b>OTHER COMPREHENSIVE (EXPENSES)/INCOME FOR THE PERIOD, NET OF TAX</b>	<b>(2,895,669)</b>	4,043,570
	<hr/> <hr/>	<hr/> <hr/>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>	<b>971,634</b>	7,334,527
	<hr/> <hr/>	<hr/> <hr/>
<b>Attributable to:</b>		
Owners of the Company	<b>683,666</b>	7,202,257
Non-controlling interests	<b>287,968</b>	132,270
	<hr/>	<hr/>
	<b>971,634</b>	7,334,527
	<hr/> <hr/>	<hr/> <hr/>

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2022

(PREPARED IN ACCORDANCE WITH IFRS)

		At 30 June 2022	At 31 December 2021
	<i>NOTES</i>	<i>RMB'000</i>	<i>RMB'000</i>
		(Unaudited)	(Audited)
<b>Non-current assets</b>			
Property, plant and equipment	11	<b>25,390,750</b>	25,309,193
Investment properties		<b>867,262</b>	603,420
Right-of-use assets		<b>4,142,934</b>	4,274,161
Goodwill		<b>1,295,674</b>	1,295,674
Other intangible assets		<b>3,813,236</b>	3,832,071
Exploration and evaluation assets		<b>622,922</b>	608,229
Interests in joint ventures		<b>121,557</b>	152,316
Interests in associates		<b>4,757,967</b>	4,910,158
Financial instruments other than derivatives	12	<b>17,347,494</b>	20,527,325
Deferred tax assets		<b>833,348</b>	707,392
Prepayments, other receivables and other assets		<b>988,759</b>	580,403
Deposits for prepaid lease payments		<b>578,571</b>	598,742
Loans to related parties		<b>518,322</b>	141,120
Time deposits	15	<b>635,484</b>	298,821
Restricted bank deposits	15	<b>3,544,749</b>	3,953,809
<b>Total non-current assets</b>		<b><u>65,459,029</u></b>	<b><u>67,792,834</u></b>

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)**

*AT 30 JUNE 2022*

(PREPARED IN ACCORDANCE WITH IFRS)

		<b>At 30 June 2022</b>	At 31 December 2021
	<i>NOTES</i>	<b>RMB'000</b>	<b>RMB'000</b>
		<b>(Unaudited)</b>	<b>(Audited)</b>
<b>Current assets</b>			
Inventories		<b>36,353,006</b>	36,976,794
Trade and bills receivables	14	<b>8,546,909</b>	7,695,500
Factoring receivables		<b>394,490</b>	561,493
Prepayments, other receivables and other assets		<b>10,137,190</b>	7,152,924
Loans to related parties		<b>1,694,980</b>	1,595,189
Financial instruments other than derivatives	12	<b>14,796,196</b>	4,019,993
Derivative financial instruments	13	<b>2,490,861</b>	379,098
Restricted bank deposits	15	<b>18,958,418</b>	13,535,689
Cash and cash equivalents	15	<b>25,102,664</b>	21,295,290
		<b>118,474,714</b>	93,211,970
Assets classified as held for sale		<b>29,692</b>	29,839
Total current assets		<b>118,504,406</b>	93,241,809



**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)**

*AT 30 JUNE 2022*

(PREPARED IN ACCORDANCE WITH IFRS)

		<b>At 30 June 2022</b>	At 31 December 2021
	<i>NOTES</i>	<b>RMB'000</b>	<b>RMB'000</b>
		<b>(Unaudited)</b>	<b>(Audited)</b>
<b>Current liabilities</b>			
Trade and bills payables	16	<b>15,198,052</b>	11,167,927
Financial instruments other than derivatives	12	<b>282,506</b>	–
Derivative financial instruments	13	<b>553,403</b>	290,969
Other payables and accruals		<b>9,831,549</b>	10,090,878
Deposits from holding company and fellow subsidiaries		<b>5,853,078</b>	5,348,717
Deferred revenue		<b>57,563</b>	60,849
Interest-bearing bank and other borrowings		<b>51,133,585</b>	38,331,946
Lease liabilities		<b>176,082</b>	173,125
Bonds payable		<b>564,810</b>	513,316
Dividend payable		<b>1,735,056</b>	–
Tax payable		<b>1,553,359</b>	1,251,214
<b>Total current liabilities</b>		<b>86,939,043</b>	67,228,941
<b>Net current assets</b>		<b>31,565,363</b>	26,012,868
<b>Total assets less current liabilities</b>		<b>97,024,392</b>	93,805,702

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)**

*AT 30 JUNE 2022*

(PREPARED IN ACCORDANCE WITH IFRS)

	<b>At 30 June 2022 RMB'000 (Unaudited)</b>	At 31 December 2021 RMB'000 (Audited)
<b>Non-current liabilities</b>		
Bonds payable	2,500,000	1,500,000
Interest-bearing bank and other borrowings	14,579,094	11,856,035
Deposits from holding company and fellow subsidiaries	30,751	103,684
Lease liability	112,180	199,149
Deferred tax liabilities	361,807	340,068
Provision for rehabilitation	352,370	275,765
Employee benefit liabilities	15,755	16,080
Deferred revenue	438,864	458,647
Other non-current liabilities	1,440,147	1,246,348
<b>Total non-current liabilities</b>	<b>19,830,968</b>	<b>15,995,776</b>
<b>Net assets</b>	<b>77,193,424</b>	<b>77,809,926</b>
<b>Equity</b>		
Equity attributable to owners of the parent		
Share capital	3,462,729	3,462,729
Reserves	65,205,165	66,336,123
	<b>68,667,894</b>	<b>69,798,852</b>
Non-controlling interests	8,525,530	8,011,074
<b>Total equity</b>	<b>77,193,424</b>	<b>77,809,926</b>

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2022**  
(PREPARED IN ACCORDANCE WITH IFRS)

	Attributable to owners of the Company										Non-controlling interests	Total
	Share capital	Share premium	Capital reserve	Other reserve	Statutory surplus reserve	Discretionary surplus reserve	Safety fund surplus reserve	Translation reserve	Retained profits	Sub-total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2021 (Audited)	3,462,729	12,647,502	(1,346,444)	11,219,531	5,125,490	9,647,574	404,009	205,880	28,432,581	69,798,852	8,011,074	77,809,926
Profit for the period	-	-	-	-	-	-	-	-	3,595,912	3,595,912	271,391	3,867,303
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-	-	-
Equity investments at fair value through other comprehensive income	-	-	-	(3,090,365)	-	-	-	-	-	(3,090,365)	(20)	(3,090,385)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	63,683	-	63,683	16,597	80,280
Share of other comprehensive expenses of joint ventures	-	-	-	-	-	-	-	(455)	-	(455)	-	(455)
Share of other comprehensive income of associates	-	-	-	-	-	-	-	114,891	-	114,891	-	114,891
Total comprehensive income for the period	-	-	-	(3,090,365)	-	-	-	178,119	3,595,912	683,666	287,968	971,634
Contribution from non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	175,000	175,000
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(29,164)	(29,164)
Disposal of subsidiaries (note 3)	-	-	-	-	-	-	-	-	-	-	(2,607)	(2,607)
Final 2021 dividend declared	-	-	-	-	-	-	-	-	(1,731,365)	(1,731,365)	-	(1,731,365)
Transfer from retained profits	-	-	-	-	-	-	129,353	-	(129,353)	-	-	-
Others	-	-	(83,259)	-	-	-	-	-	-	(83,259)	83,259	-
At 30 June 2022 (Unaudited)	3,462,729	12,647,502	(1,429,703)	8,129,166	5,125,490	9,647,574	533,362	383,999	30,167,775	68,667,894	8,525,530	77,193,424

\* These reserve accounts comprise the consolidated reserves of RMB65,205,165,000 (31 December 2021: RMB66,336,123,000) in the consolidated statement of financial position.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2022**  
For the six months ended 30 June 2021

	Attributable to owners of the Company										Non-controlling interests	Total
	Share capital	Share premium	Capital reserve	Other reserve	Statutory surplus reserve	Discretionary surplus reserve	Safety fund surplus reserve	Translation reserve	Retained profits	Sub-total		
	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000
At 31 December 2020 (Audited)	3,462,729	12,647,502	(1,462,233)	6,832,650	4,816,743	9,647,574	267,052	246,343	23,452,033	59,910,393	6,948,911	66,859,304
Profit for the period	-	-	-	-	-	-	-	-	3,153,039	3,153,039	137,918	3,290,957
Other comprehensive income for the period												
Equity investments at fair value through other comprehensive income instruments, net of tax	-	-	-	4,051,404	-	-	-	-	-	4,051,404	336	4,051,740
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	(2,301)	-	(2,301)	(5,984)	(8,285)
Share of other comprehensive expenses of joint ventures	-	-	-	-	-	-	-	(5,663)	-	(5,663)	-	(5,663)
Share of other comprehensive income of associates	-	-	-	-	-	-	-	5,778	-	5,778	-	5,778
Total comprehensive income for the period	-	-	-	4,051,404	-	-	-	(2,186)	3,153,039	7,202,257	132,270	7,334,527
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	200,938	200,938
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(47,803)	(47,803)
Final 2020 dividend declared	-	-	-	-	-	-	-	-	(346,273)	(346,273)	-	(346,273)
Transfer from retained profits	-	-	-	-	-	-	109,972	-	(109,972)	-	-	-
Others	-	-	22,730	-	-	-	-	-	-	22,730	-	22,730
At 30 June 2021 (Unaudited)	3,462,729	12,647,502	(1,439,503)	10,884,054	4,816,743	9,647,574	377,024	244,157	26,148,827	66,789,107	7,234,316	74,023,423

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2022**  
(PREPARED IN ACCORDANCE WITH IFRS)

	<b>Six months ended 30 June</b>	
	<b>2022</b>	<b>2021</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	<b>4,782,716</b>	4,067,703
Adjustments for:		
Finance costs	<b>1,125,924</b>	1,035,434
Foreign exchange gains, net	<b>(234,906)</b>	(56,978)
Share of losses of joint ventures and associates	<b>143,880</b>	82,638
Gain on disposal of a subsidiary and associates	<b>(185,676)</b>	–
Gains from listed debentures	<b>(11,455)</b>	–
Losses/(gains) from listed equity investment	<b>13,091</b>	(498)
Gains from investments in financial products	<b>(47,804)</b>	(79,504)
(Gains)/losses from held-for-trading financial liabilities	<b>(6,037)</b>	8,764
Dividend income from equity investments	<b>(22,772)</b>	(14,533)
Net (gains)/losses on disposal of items of property, plant and equipment	<b>(2,001)</b>	29,484
Net gains on disposal of other intangible assets	<b>–</b>	(13,585)
Fair value (gains)/losses, net:		
– Derivative financial instruments	<b>(984,235)</b>	(386,487)
– Listed equity investments	<b>153,341</b>	78,413
– Unlisted equity investments	<b>24,483</b>	121,304
– Income right attached to a target equity interest	<b>6,550</b>	(42,680)
– Investments in financial products	<b>(33,601)</b>	68,008
– Held-for-trading financial liabilities	<b>9,670</b>	(4,829)
Provision for impairment of trade and bills receivables	<b>17,691</b>	6,168
Provision for impairment of factoring receivables	<b>–</b>	11,604
Provision for impairment of prepayment, other receivables and other assets	<b>123,738</b>	120,114
Reversal of impairment of loans to related parties	<b>(6,427)</b>	(12,494)
Provision for impairment of inventories to net realisable value	<b>1,994,871</b>	403,309
Reversal of impairment of treasury bonds	<b>(2,048)</b>	–
Provision for impairment of property, plant and equipment	<b>78,452</b>	676,646
Provision for impairment of exploration and evaluation assets	<b>–</b>	48,228

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**(CONTINUED)**  
*FOR THE SIX MONTHS ENDED 30 JUNE 2022*  
(PREPARED IN ACCORDANCE WITH IFRS)

	<b>Six months ended 30 June</b>	
	<b>2022</b>	2021
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
	<b>(Unaudited)</b>	(Unaudited)
Provision for impairment of other intangible assets	–	336,605
Provision for impairment of right-of-use assets	–	4,503
Depreciation of property, plant and equipment	<b>1,063,164</b>	1,171,119
Depreciation of right-of-use assets	<b>160,845</b>	142,668
Depreciation of investment properties	<b>10,906</b>	6,118
Amortisation of other intangible assets	<b>119,547</b>	157,098
Unwinding of an interest in rehabilitation provision	<b>5,404</b>	5,684
Deferred revenue released to the statement of profit or loss	<b>(37,901)</b>	(37,017)
	<b>8,259,410</b>	7,933,007
Increase in inventories	<b>(1,389,329)</b>	(7,266,933)
Increase in trade and bills receivables	<b>(1,013,863)</b>	(888,630)
Decrease in factoring receivables	<b>32,188</b>	3,255
Increase in prepayments, other receivables and other assets	<b>(4,284,216)</b>	(1,534,345)
(Increase)/decrease in derivative financial instruments	<b>(897,275)</b>	3,021,021
(Increase)/decrease in loans to related companies	<b>(470,566)</b>	202,850
Decrease/(increase) in restricted bank deposits except restricted deposits to secure bank borrowings	<b>3,214,709</b>	(619,739)
Increase in trade and bills payables	<b>4,031,214</b>	1,303,761
Increase/(decrease) in other payables and accruals	<b>145,693</b>	(603,633)
Increase in deposits from holding company and fellow subsidiaries	<b>431,428</b>	723,944
Cash generated from operations	<b>8,059,393</b>	2,274,558
Income tax paid	<b>(720,185)</b>	(507,127)
<b>Net cash flows from operating activities</b>	<b>7,339,208</b>	1,767,431

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**(CONTINUED)**  
*FOR THE SIX MONTHS ENDED 30 JUNE 2022*  
(PREPARED IN ACCORDANCE WITH IFRS)

	<b>Six months ended 30 June</b>	
	<b>2022</b>	2021
	<b>RMB'000</b>	<i>RMB'000</i>
	<b>(Unaudited)</b>	(Unaudited)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of financial investments	<b>7,760,792</b>	8,855,258
Proceeds from disposal of property, plant and equipment	<b>65,516</b>	42,308
Receipt of government grants	–	14,969
Proceeds from disposal of right-of-use assets	<b>20,273</b>	243
Proceeds from disposal of other intangible assets	<b>265</b>	20,166
Proceeds from disposal of a subsidiary	<b>61,410</b>	–
Proceeds from disposal of an associate	<b>181,910</b>	–
Additional investments in associates	<b>(57,102)</b>	(417,046)
Additional investments in joint ventures	–	(24,529)
Dividend received from an associate	<b>6,231</b>	57,763
Dividend received from a joint venture	<b>15,000</b>	462
Acquisition of subsidiaries and business combinations	–	(214,776)
Additions to right-of-use assets	<b>(34,929)</b>	(26,830)
Purchases of financial investments	<b>(17,412,069)</b>	(10,534,831)
Purchases of property, plant and equipment	<b>(1,575,711)</b>	(762,712)
Additions to exploration and evaluation assets	<b>(14,693)</b>	(5,754)
Additions to other intangible assets	<b>(106,202)</b>	(63,776)
Purchases of investment properties	<b>(2,464)</b>	–
<b>Net cash used in investing activities</b>	<b>(11,091,773)</b>	(3,059,085)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**(CONTINUED)**  
*FOR THE SIX MONTHS ENDED 30 JUNE 2022*  
(PREPARED IN ACCORDANCE WITH IFRS)

	<b>Six months ended 30 June</b>	
	<b>2022</b>	2021
	<b>RMB'000</b>	<i>RMB'000</i>
	<b>(Unaudited)</b>	(Unaudited)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
New bank and other borrowings	<b>67,240,646</b>	56,816,362
Proceeds from issue of bonds	<b>1,000,000</b>	–
Collection of pledged time deposits to secure bank borrowings	<b>(18,120,567)</b>	(10,953,369)
Principal portion of lease payments	<b>(100,164)</b>	(96,964)
Repayment of bank and other borrowings	<b>(42,225,629)</b>	(40,330,868)
Dividends paid to non-controlling interests	<b>(29,164)</b>	(47,803)
Interest paid	<b>(746,883)</b>	(683,012)
Contribution from non-controlling interests	<b>175,000</b>	–
	<hr/>	<hr/>
<b>Net cash generated from financing activities</b>	<b>7,193,239</b>	4,704,346
	<hr/>	<hr/>
<b>Net increase in cash and cash equivalents</b>	<b>3,440,674</b>	3,412,692
Cash and cash equivalents at beginning of period	<b>21,295,290</b>	14,451,776
Effect of foreign exchange rate changes, net	<b>366,700</b>	(31,688)
	<hr/>	<hr/>
<b>Cash and cash equivalents at end of period</b>	<b>25,102,664</b>	17,832,780
	<hr/> <hr/>	<hr/> <hr/>



**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
*FOR THE SIX MONTHS ENDED 30 JUNE 2022*  
(PREPARED IN ACCORDANCE WITH IFRS)

**1. CORPORATE INFORMATION**

Jiangxi Copper Company Limited (the “**Company**”) was registered in the People’s Republic of China (the “**PRC**”) as a joint stock limited company. The registration number of the Company’s business licence is Qi He Gan Zhong Zi 003556. The Company was established on 24 January 1997 by Jiangxi Copper Corporation (“**JCC**”), Hong Kong International Copper Industry (China) Investment Limited, Shenzhen Baoheng (Group) Company Limited, Jiangxi Xinxin Company Limited and Hubei Sanxin Gold & Copper Company Limited, and approved by Jiangxi Province’s Administrative Bureau for Industry and Commerce. The Company’s H shares and A shares were listed on The Stock Exchange of Hong Kong Limited and the Shanghai Stock Exchange, respectively. The registered address of the Company is 15 Yejin Avenue, Guixi City, Jiangxi, the PRC. In the opinion of the directors, the Company’s ultimate holding company is JCC, a State-owned enterprise established in the PRC, and the ultimate controlling party is the State-owned Assets Supervision and Administration Commission of the People’s Government of Jiangxi Province.

The principal business of the Group covers copper and gold mining and dressing, smelting and processing, extraction and processing of the precious metals and scattered metals, sulphuric chemicals as well as finance and trading fields. The Group has established a complete industrial chain integrated with exploration, mining, ore dressing, smelting and processing in copper and related non-ferrous metal fields, and it is the important production base of copper, gold, silver and sulphuric chemicals in the PRC. The Group has more than 50 varieties of main products, such as copper cathode, gold, silver, sulphuric acid, copper rod, copper tube, copper foil, selenium, tellurium, rhenium, bismuth.

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

**2.1 BASIS OF PREPARATION**

The interim condensed consolidated financial information for the six months ended 30 June 2022 has been prepared in accordance with IAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2021.

## 2.2 Changes in accounting policies and disclosures

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2021, except for the adoption of the following new and revised International Financial Reporting Standards (“IFRSs”) for the first time for the current period's financial information.

Amendments to IFRS 3	<i>Reference to the Conceptual Framework</i>
Amendments to IAS 16	<i>Property, Plant and Equipment: Proceeds before Intended Use</i>
Amendments to IAS 37	<i>Onerous Contracts – Cost of Fulfilling a Contract</i>
Annual Improvements to IFRS Standards 2018-2020	<i>Amendments to IFRS 1, IFRS 9, Illustrative Examples accompanying IFRS 16, and IAS 41</i>

The nature and impact of the revised IFRSs are described below:

- (a) Amendments to IFRS 3 replace a reference to the previous Framework for the Preparation and Presentation of Financial Statements with a reference to the Conceptual Framework for Financial Reporting issued in June 2018 without significantly changing its requirements. The amendments also add to IFRS 3 an exception to its recognition principle for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability. The exception specifies that, for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 if they were incurred separately rather than assumed in a business combination, an entity applying IFRS 3 should refer to IAS 37 or IFRIC 21 respectively instead of the Conceptual Framework. Furthermore, the amendments clarify that contingent assets do not qualify for recognition at the acquisition date. The Group has applied the amendments prospectively to business combinations that occurred on or after 1 January 2022. As there were no contingent assets, liabilities and contingent liabilities within the scope of the amendments arising in the business combination that occurred during the period, the amendments did not have any impact on the financial position and performance of the Group.

- (b) Amendments to IAS 16 prohibit an entity 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. The Group has applied the amendments retrospectively to items of property, plant and equipment made available for use on or after 1 January 2021. Since there was no sale of items produced while making property, plant and equipment available for use on or after 1 January 2021, the amendments did not have any impact on the financial position or performance of the Group.
- (c) Amendments to IAS 37 clarify that for the purpose of assessing whether a contract is onerous under IAS 37, the cost of fulfilling the contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract include both the incremental costs of fulfilling that contract (e.g., direct labour and materials) and an allocation of other costs that relate directly to fulfilling that contract (e.g., an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract as well as contract management and supervision costs). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The Group has applied the amendments prospectively to contracts for which it has not yet fulfilled all its obligations at 1 January 2022 and no onerous contracts were identified. Therefore, the amendments did not have any impact on the financial position or performance of the Group.

(d) Annual Improvements to IFRSs 2018–2020 sets out amendments to IFRS 1, IFRS 9, Illustrative Examples accompanying IFRS 16, and IAS 41. Details of the amendments that are applicable to the Group are as follows:

- IFRS 9 Financial Instruments: clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. The Group has applied the amendment prospectively to financial liabilities that are modified or exchanged on or after 1 January 2022. As there was no modification of the Group's financial liabilities during the period, the amendment did not have any impact on the financial position or performance of the Group.
- IFRS 16 Leases: removes the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 accompanying IFRS 16. This removes potential confusion regarding the treatment of lease incentives when applying IFRS 16.

### 3. DISPOSAL OF A SUBSIDIARY

The Company held a 95% equity interest in Thermonamic Electronics (Jiangxi) Corp. Ltd. (江西納米克熱電電子股份有限公司) (“**TE Jiangxi**”). On 28 December 2021, the Company entered into an equity transfer agreement with its holding company JCC, pursuant to which the Company shall disposal of the entire of equity interest in TE Jiangxi, for a cash consideration of RMB83,600,000. This disposal transaction was completed on 25 February 2022, and a disposal gain of RMB13,458,000 was included in other gains and losses during the period ended 30 June 2022.

**25 February  
2022  
Carrying  
amount  
RMB'000**

Net assets disposed of:	
Non-current assets	44,918
Current assets	35,387
Non-current liabilities	(3,977)
Current liabilities	(3,579)
Non-controlling interests	(2,607)
	70,142
Gain on disposal	13,458
	83,600
Satisfied by:	
Cash	83,600

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of a subsidiary is as follows:

**30 June 2022  
RMB'000**

Cash consideration	83,600
Cash and bank balances disposed of	(22,190)
Net inflow of cash and cash equivalents in respect of the disposal of a subsidiary	61,410

#### 4. OPERATING SEGMENT INFORMATION

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

- (a) production and sale of copper and other related products and services (“**Copper related business**”);
- (b) production and sale of gold and other related products and services (“**Gold related business**”).

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 profit before tax in related periods.

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

<b>Six months ended 30 June 2022</b>	<b>Copper related business</b> <i>RMB’000</i>	<b>Gold related business</b> <i>RMB’000</i>	<b>Total</b> <i>RMB’000</i>
<b>Segment revenue</b>			
Sales to external customers	233,930,508	20,657,317	254,587,825
Intersegment sales	<u>77,470</u>	<u>710,252</u>	<u>787,722</u>
	234,007,978	21,367,569	255,375,547
Reconciliation:			
Elimination of intersegment sales			<u>(787,722)</u>
Revenue			<u><u>254,587,825</u></u>
<b>Segment results</b>	4,489,607	293,109	4,782,716
Reconciliation:			
Elimination of intersegment results			<u>–</u>
Profit before tax			<u><u>4,782,716</u></u>

<b>Six months ended 30 June 2021</b>	<b>Copper related business RMB'000</b>	<b>Gold related business RMB'000</b>	<b>Total RMB'000</b>
<b>Segment revenue</b>			
Sales to external customers	205,591,260	20,645,478	226,236,738
Intersegment sales	<u>179,714</u>	<u>631,142</u>	<u>810,856</u>
	205,770,974	21,276,620	227,047,594
Reconciliation:			
Elimination of intersegment sales			<u>(810,856)</u>
Revenue			<u><u>226,236,738</u></u>
<b>Segment results</b>	3,852,932	214,771	4,067,703
Reconciliation:			
Elimination of intersegment results			<u>—</u>
Profit before tax			<u><u>4,067,703</u></u>

## Geographical information

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

	Six months ended 30 June	
	2022 <i>RMB'000</i> (Unaudited)	2021 <i>RMB'000</i> (Unaudited)
Mainland China	<b>224,578,978</b>	195,028,008
Hong Kong	<b>24,102,035</b>	21,952,303
Others	<b>6,566,848</b>	9,814,000
	<b>255,247,861</b>	226,794,311
Less: Sales related taxes	<b>660,036</b>	557,573
	<b>254,587,825</b>	226,236,738

All material non-current assets of the Group (excluding deferred tax assets and financial instruments) are located in Mainland China except for certain investments in Hong Kong, the United States, Singapore, Afghanistan, Albania, Peru, Japan, Zambia, Kazakhstan and Mexico.

## Information about major customers

No revenue from customer or a group of entities which are known to be under common control with that customer, was accounted for 10% or more of the Group's revenue for periods ended 30 June 2022 and 2021. State-Owned Entities are not identified as a group of customers under common control by the directors of the Company.



## 5. REVENUE AND OTHER INCOME

An analysis of revenue is as follows:

	<b>Six months ended 30 June</b>	
	<b>2022</b>	<b>2021</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Revenue from contracts with customers</b>		
Sale of industrial products		
– Copper cathodes	<b>130,634,094</b>	122,217,460
– Copper rods	<b>56,286,829</b>	48,041,466
– Copper processing products	<b>3,165,773</b>	2,291,336
– Gold	<b>19,244,849</b>	15,667,096
– Silver	<b>7,565,358</b>	8,057,420
– Sulphuric and sulphuric concentrate	<b>2,362,507</b>	1,233,779
– Copper concentrate, rare and other non-ferrous metals	<b>31,356,869</b>	25,327,405
– Others	<b>4,414,081</b>	3,779,402
Provision of services	<b>217,501</b>	178,947
	<b>255,247,861</b>	226,794,311
Less: Sales related taxes	<b>660,036</b>	557,573
	<b>254,587,825</b>	226,236,738

**Disaggregated revenue information for revenue from contracts with customers**

	<b>Six months ended 30 June</b>	
	<b>2022</b> <i><b>RMB'000</b></i> <b>(Unaudited)</b>	<b>2021</b> <i><b>RMB'000</b></i> <b>(Unaudited)</b>
<b>Type of goods or services</b>		
– Sale of industrial products	<b>255,030,360</b>	226,615,364
– Construction services	<b>138,279</b>	136,851
– Other services	<b>79,222</b>	42,096
	<b>255,247,861</b>	226,794,311
Less: Sales related taxes	<b>660,036</b>	557,573
<b>Total revenue from contracts with customers</b>	<b><u>254,587,825</u></b>	<b><u>226,236,738</u></b>
	<b>Six months ended 30 June</b>	
	<b>2022</b> <i><b>RMB'000</b></i> <b>(Unaudited)</b>	<b>2021</b> <i><b>RMB'000</b></i> <b>(Unaudited)</b>
Timing of revenue recognition		
– Goods or services transferred at a point in time	<b>255,109,582</b>	226,657,460
– Services transferred over time	<b>138,279</b>	136,851
	<b>255,247,861</b>	226,794,311
Less: Sales related taxes	<b>660,036</b>	557,573
<b>Total revenue from contracts with customers</b>	<b><u>254,587,825</u></b>	<b><u>226,236,738</u></b>

An analysis of other income is as follows:

	<b>Six months ended 30 June</b>	
	<b>2022</b>	2021
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
	<b>(Unaudited)</b>	(Unaudited)
Interest income	<b>591,392</b>	556,768
Dividend income from equity investments	<b>22,772</b>	14,533
Government grants recognised	<b>101,727</b>	66,996
Compensation income and others	<b>41,243</b>	14,820
	<b><u>757,134</u></b>	<u>653,117</u>

## 6. OTHER GAINS AND LOSSES, NET

	<b>Six months ended 30 June</b>	
	<b>2022</b>	2021
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
	<b>(Unaudited)</b>	(Unaudited)
Fair value gains from commodity derivative contracts and commodity option contract: Transactions not qualifying as hedges	<b>1,244,614</b>	281,205
Gains/(losses) on commodity derivative contracts and commodity option contracts: Transactions not qualifying as hedges	<b>11,682</b>	(2,982,786)
Fair value (losses)/gains from foreign currency forward contracts	<b>(260,379)</b>	35,379
(Losses)/gains on foreign currency forward contracts	<b>(38,408)</b>	69,903

	<b>Six months ended 30 June</b>	
	<b>2022</b>	2021
	<b>RMB'000</b>	<i>RMB'000</i>
	<b>(Unaudited)</b>	(Unaudited)
Fair value gains/(losses) on other financial assets:		
Unlisted equity instruments	<b>(24,483)</b>	(121,304)
Listed equity instruments	<b>(153,341)</b>	(78,413)
Financial products	<b>33,601</b>	(68,008)
Income right attached to a target equity interest	<b>(6,550)</b>	42,680
Held-for-trading financial liabilities	<b>(9,670)</b>	4,829
Gains/(losses) on other financial assets:		
Listed equity investments	<b>(13,091)</b>	498
Financial products	<b>47,804</b>	79,504
Listed debentures	<b>11,455</b>	–
Held-for-trading financial liabilities	<b>6,037</b>	(8,764)
Impairment losses on:		
Property, plant and equipment	<b>(78,452)</b>	(676,646)
Other intangible assets	–	(336,605)
Exploration and evaluation assets	–	(48,228)
Right-of-use assets	–	(4,503)
Gains/(losses) on disposal of:		
Interests in a subsidiary (note 3)	<b>13,458</b>	–
Interests in associates or joint ventures	<b>172,218</b>	–
Property, plant and equipment	<b>2,001</b>	(29,484)
Other intangible assets	–	13,585
Exploration and evaluation assets	<b>(1,410)</b>	–
Foreign exchange gains, net	<b>234,906</b>	56,978
Others	<b>(86,198)</b>	(22,987)
	<b>1,105,794</b>	(3,793,167)

## 7. PROFIT BEFORE TAX

In addition to the items detailed elsewhere in the interim condensed consolidated financial information, the Group's profit before tax is arrived at after charging/ (crediting):

	<b>Six months ended 30 June</b>	
	<b>2022</b> <i>RMB'000</i> <b>(Unaudited)</b>	2021 <i>RMB'000</i> <b>(Unaudited)</b>
Cost of inventories sold and service provided	<b>241,748,431</b>	211,797,894
Depreciation of property, plant and equipment	<b>1,063,164</b>	1,171,119
Depreciation of right-of-use assets	<b>160,845</b>	142,668
Depreciation of investment properties	<b>10,906</b>	6,118
Amortisation of other intangible assets	<b>119,547</b>	157,098
Auditors' remuneration	<b>7,380</b>	7,000
Employee benefit expense (including directors' remuneration):		
– Wages and salaries	<b>2,410,131</b>	2,304,020
– Pension scheme contributions*	<b>322,304</b>	247,329
Research and development costs	<b>195,581</b>	173,511
Provision for impairment of inventories included in cost of sales	<b>1,994,871</b>	403,309
Provision for impairment of trade and bills receivables	<b>17,691</b>	6,168
Provision for impairment of factoring receivables	–	11,604
Provision for impairment of prepayment, other receivables and other assets	<b>123,738</b>	120,114
Reversal of impairment of loans to related parties	<b>(6,427)</b>	(12,494)
Reversal of impairment of treasury bonds	<b>(2,048)</b>	–
Provision for impairment of property, plant and equipment	<b>78,452</b>	676,646
Provision for impairment of other intangible assets	–	336,605
Provision for impairment of exploration and evaluation assets	–	48,228
Provision for impairment of right-of-use assets	–	4,503

\* There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

## 8. INCOME TAX

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

	Six months ended 30 June	
	2022 <i>RMB'000</i> (Unaudited)	2021 <i>RMB'000</i> (Unaudited)
Current income tax	<b>1,019,624</b>	997,032
Deferred income tax	<b>(104,211)</b>	(220,286)
Income tax charge for the period	<b><u>915,413</u></b>	<b><u>776,746</u></b>

Hong Kong profits tax on seven (2021: seven) of the Group's subsidiaries has been provided at the rate of 16.5% (2021: 16.5%) on the estimated assessable profits arising in Hong Kong during the six months ended 30 June 2022.

The subsidiaries incorporated in Singapore, Turkey, United States, Peru, Zambia and Mexico are subject to corporate income tax at rates of 10% (2021: 10%), 20% (2021: 20%), 29.8% (2021: 29.8%), 29.5% (2021: 29.5%), 35% (2021: 35%), and 30% (2021: 30%), respectively.

The provision for PRC income tax is based on a statutory rate of 25% (2021: 25%) of the assessable profits of the PRC companies as determined in accordance with the relevant income tax rules and regulations of the PRC Corporate Income Tax Law except for those recognised as New and Technology Enterprise which are entitled to a preferential PRC income tax rate of 15%.

The Company has passed the examination for new and high technology enterprises, and the certificate number is GR202036000206. According to the provisions of Article 28 "Enterprise Income Tax Law of the People's Republic of China", the applicable income tax rate of the Company during 1 January 2020 to 31 December 2022 is 15%. Certain subsidiaries of the Group also enjoy the beneficial income tax rate as New and Technology Enterprise during the period.

## 9. DIVIDENDS

	Six months ended 30 June	
	2022	2021
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Dividends of ordinary shares declared and distributed during the six months:		
Final dividend of RMB0.50 per share for 2021 (2021: final dividend of RMB0.10 per share for 2020)	<b>1,731,365</b>	<b>346,273</b>

On 17 June 2022, a dividend of RMB0.50 per share (tax inclusive) on 3,462,729,405 shares, approximately RMB1,731,365,000 in aggregate was declared to the shareholders as the final dividend for year 2021.

## 10. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 3,462,729,405 (2021: 3,462,729,405) in issue during the period.

The Group had no potentially dilutive ordinary shares in issue during the six months period ended 30 June 2022 and 2021.

The calculations of basic and diluted earnings per share are based on:

	<b>Six months ended 30 June</b>	
	<b>2022</b>	2021
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Unaudited)
<b>Earnings</b>		
Profit attributable to ordinary equity holders of the Company, used in the basic and diluted earnings per share calculations	<u><b>3,595,912</b></u>	<u>3,153,039</u>
<b>Shares</b>		
Weighted average number of ordinary shares in issue during the period used in the basic and diluted earnings per share calculations	<u><b>3,462,729,405</b></u>	<u>3,462,729,405</u>

## **11. PROPERTY, PLANT AND EQUIPMENT**

During the six months ended 30 June 2022, the Group acquired assets with a cost of RMB1,360,381,000 (six months ended 30 June 2021: RMB959,630,000)

During the six months ended 30 June 2022, other than the property, plant and equipment disposed of through a subsidiary disposal which is disclosed in note 3 to the interim condensed consolidated financial information, the Group disposed of assets with a net book value of RMB102,742,000 (30 June 2021: RMB61,352,000), resulting in a net disposal gain of RMB2,001,000 (30 June 2021: net loss on disposal of RMB29,484,000).

During the six months ended 30 June 2022, an impairment loss of RMB78,452,000 was recognised (30 June 2021: RMB676,646,000) for certain property, plant and equipment.

As at 30 June 2022, certain of the Group's machinery and buildings with net book values of approximately RMB249,268,000 and RMB255,091,000 (31 December 2021: RMB246,850,000 and RMB447,587,000), respectively, were pledged to secure short-term bank borrowings.



As at 30 June 2022, certain of the Group's machinery and buildings with a net book value of approximately RMB78,776,000 and RMB93,726,000 (31 December 2021: RMB92,526,000 and RMB96,584,000) were pledged to secure long-term bank borrowings.

As at 30 June 2022, the Group was in the process of obtaining property ownership certificates for certain of the Group's buildings with a net book value of RMB416,063,000 (31 December 2021: RMB443,171,000).

As at 30 June 2022, certain of the Group's buildings with a net book value of approximately RMB109,372,000 (31 December 2021: RMB109,698,000) were restricted due to litigation.

## 12. FINANCIAL INSTRUMENTS OTHER THAN DERIVATIVES

	30 June 2022		31 December 2021	
	Categories	Carrying Amount RMB'000 (Unaudited)	Categories	Carrying Amount RMB'000 (Audited)
Assets:				
Debt instruments (including hybrid contracts):				
Listed debentures (a)	FVPL <sup>1</sup>	3,560,416	FVPL	973,593
Financial products (b)	FVPL	11,235,780	FVPL	2,832,879
		<b>14,796,196</b>		3,806,472
Equity instruments:				
Listed equity investments (c)	FVPL	95,662	FVPL	474,269
Listed equity investments (c)	FVOCI <sup>2</sup>	16,124,949	FVOCI	19,215,298
Unlisted equity investments (d)	FVPL	642,604	FVPL	560,407
Unlisted equity investments (d)	FVOCI	45,279	FVOCI	45,322
Income right attached to a target equity interest (e)	FVPL	439,000	FVPL	445,550
		<b>17,347,494</b>		20,740,846
		<b>32,143,690</b>		<b>24,547,318</b>

	30 June 2022		31 December 2021	
	Categories	Carrying Amount RMB'000 (Unaudited)	Categories	Carrying Amount RMB'000 (Audited)
At FVPL		15,973,462		5,286,698
At FVOCI		16,170,228		19,260,620
		<b>32,143,690</b>		<b>24,547,318</b>
Non-current assets		17,347,494		20,527,325
Current assets		14,796,196		4,019,993
		<b>32,143,690</b>		<b>24,547,318</b>
Liabilities:				
Held-for-trading financial liabilities ( <i>f</i> )	FVPL	(282,506)	FVPL	—
		<b>(282,506)</b>		—
Current liabilities		<b>(282,506)</b>		—

<sup>1</sup> FVPL: Fair value through profit or loss

<sup>2</sup> FVOCI: Fair value through other comprehensive income

*Notes:*

- (a) The listed debentures were at interest rates ranging from 2.14% to 3.02% (31 December 2021: 2.72%) per annum as at 30 June 2022.
- (b) The amount represents investments in financial products arranged by banks, trusts and fund institutions and independent securities companies with high credit-rating and good reputation.

	<b>30 June 2022</b> <i>(RMB'000)</i> <b>(Unaudited)</b>	31 December 2021 <i>(RMB'000)</i> (Audited)
Including:		
Bank financial products	<b>9,031,092</b>	908,472
Asset management products	–	123,362
Fund products	<b>1,940,485</b>	1,613,710
Trust products	<b>264,203</b>	187,335
	<b>11,235,780</b>	2,832,879

As at 30 June 2022, the bank financial products of RMB8,262,069,000 (31 December 2021: RMB806,138,000) were pledged to issue bank accepted notes and letter of guarantee.

- (c) The listed equity securities represent stocks listed on Shanghai Stock Exchange, Hong Kong Stock Exchange (“**HKEx**”) and Toronto Stock Exchange (“**TSX**”).
- (d) The unlisted equity investments represent the Group’s equity interests in unlisted PRC companies. None of the shareholdings of major investments exceeds 20% of the issued capital of the respective investees and the Group did not have significant influence on these invested entities.
- (e) The investment represents a beneficial right attached to the 3.35% equity interest in a limited liability company established in the PRC held by China Cinda Asset Management Co., Ltd. (“**China Cinda**”) (the “**Beneficial Right**”), including the right to all the incomes derived from this equity interest.
- (f) A subsidiary of the Group, Shandong Humon Smelting Co., Ltd (“**Shandong Humon**”), entered into certain gold lease contracts with independent lessors. During the lease period, Shandong Humon might sell the leased gold to independent third parties. When the lease period expires, Shandong Humon shall return the gold with the same quantity and quality to the lessors. The obligation to return the gold is recognised as held-for-trading financial liabilities.

### 13. DERIVATIVE FINANCIAL INSTRUMENTS

	At 30 June 2022		At 31 December 2021	
	Assets <i>RMB'000</i> (Unaudited)	Liabilities <i>RMB'000</i> (Unaudited)	Assets <i>RMB'000</i> (Audited)	Liabilities <i>RMB'000</i> (Audited)
Commodity derivative contracts	1,739,291	(276,774)	297,098	(234,064)
Commodity option contracts	21,716	(44,901)	3,865	(12,720)
Provisional price arrangements	713,113	–	–	(11,442)
Foreign currency forward contracts	16,741	(231,728)	78,135	(32,743)
	<u>2,490,861</u>	<u>(553,403)</u>	<u>379,098</u>	<u>(290,969)</u>

	30 June 2022 <i>RMB'000</i> (Unaudited)	31 December 2021 <i>RMB'000</i> (Audited)
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#### Including:

Derivatives designated as hedging instruments (a):

Fair value hedges

– Commodity derivative contracts	202,601	29,880
– Provisional price arrangements	713,113	(11,442)
	<u>915,714</u>	<u>18,438</u>

Derivatives not designated as hedging instruments (b):

– Commodity derivative contracts	1,259,916	33,154
– Commodity option contracts	(23,185)	(8,855)
– Foreign currency forward contracts	(214,987)	45,392
	<u>1,021,744</u>	<u>69,691</u>
	<u>1,937,458</u>	<u>88,129</u>

The Group uses commodity derivative contracts and provisional price arrangements to hedge its commodity price risk. Commodity derivative contracts utilised by the Group are mainly standardised future contracts in Shanghai Futures Exchange (“SHFE”) and London Metal Exchange (“LME”), and AG (T+D) contracts in Shanghai Gold Exchange (“SGE”).

**(a) Derivatives designated as hedging instruments:**

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

– ***Fair value hedge***

Certain commodity derivative contracts and T+D contracts and provisional price arrangements were designated by the Group to hedge its exposure to variability in fair value changes attributable to price fluctuation risk associated with inventories.

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

As at 30 June 2022, the net fair value gain of provisional price arrangements for the fair value hedges of the Group was RMB713,113,000 (31 December 2021: fair value loss of RMB11,442,000). The net fair value gain of commodity derivative contracts and T+D contracts for the fair value hedges of the Group was RMB202,601,000 (31 December 2021: fair value gains of RMB29,880,000).

**(b) Derivatives not designated as hedging instruments:**

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

The Group utilises gold and silver commodity derivative contracts, AU (T+D) and AG (T+D) contracts to manage the commodity price risk of forecasted sales of gold and silver and certain gold lease. These arrangements are designed to reduce significant fluctuations in the prices of gold and silver.

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

These commodity derivative contracts and foreign currency forward contracts are not qualified for hedging accounting.

#### 14. TRADE AND BILLS RECEIVABLES

	<b>30 June 2022</b>	31 December 2021
	<i>(RMB'000)</i>	<i>(RMB'000)</i>
	<b>(Unaudited)</b>	(Audited)
Trade receivables	<b>11,172,453</b>	10,973,427
Bills receivables	<b>3,406,116</b>	2,736,772
	<b>14,578,569</b>	13,710,199
Less: impairment allowance	<b>6,031,660</b>	6,014,699
	<b>8,546,909</b>	7,695,500

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally one to three months with a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimize credit risk. Overdue balances are reviewed regularly by senior managements. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

Trade receivables due from the Group's related parties are repayable on similar credit terms to those offered to the major customers of the Group.

As at 30 June 2022, bills receivables of RMB505,914,000 (31 December 2021: RMB75,212,000) was pledged for the issuing bank accepted notes.

The ageing analysis of trade and bills receivables, net of impairment allowance, is as follows:

	<b>At 30 June 2022 (RMB'000) (unaudited)</b>	At 31 December 2021 (RMB'000) (audited)
Within 1 year	<b>7,308,619</b>	6,378,018
1 to 2 years	<b>92,746</b>	32,238
2 to 3 years	<b>16,858</b>	86,841
Over 3 years	<b>1,128,686</b>	1,198,403
	<b><u>8,546,909</u></b>	<u>7,695,500</u>

The term of bills receivable are all less than 12 months. As at 30 June 2022, the bills receivables were neither past due nor impaired (31 December 2021: Nil).

Movements in the loss allowance for impairment of trade receivables are as follows:

	<b>For the six months ended 30 June</b>	
	<b>2022 (RMB'000) (Unaudited)</b>	2021 (RMB'000) (Unaudited)
At beginning of the period	<b>6,014,699</b>	5,955,359
Provision for impairment losses, net	<b>17,691</b>	6,168
Amounts written off as uncollectible	<b>(730)</b>	(59,379)
	<b><u>6,031,660</u></b>	<u>5,902,148</u>

## 15. CASH, CASH EQUIVALENTS AND PLEDGED BANK DEPOSITS

	<b>30 June 2022 RMB'000 (Unaudited)</b>	31 December 2021 RMB'000 (Audited)
Cash and bank balances	<b>24,372,555</b>	31,724,503
Time deposits	<b>23,868,760</b>	7,359,106
	<b>48,241,315</b>	39,083,609
Less: Restricted bank deposits (a)	<b>22,503,167</b>	17,489,498
Current portion	<b>18,958,418</b>	13,535,689
Non-current portion	<b>3,544,749</b>	3,953,809
Time deposits	<b>635,484</b>	298,821
Non-current portion	<b>635,484</b>	298,821
Cash and cash equivalents	<b>25,102,664</b>	21,295,290

(a) As at 30 June 2022, the restricted bank deposits include the following:

- Deposits amounting to RMB3,725,355,000 (31 December 2021: RMB3,467,584,000) and cash in the bank amounting to RMB9,634,000 (31 December 2021: RMB6,786,000) were pledged to secure bank borrowings;
- Deposits amounting to RMB3,012,638,000 (31 December 2021: RMB2,178,346,000) was pledged for the issuing of letters of credit;
- Deposits amounting to RMB325,784,000 (31 December 2021: RMB42,815,000) was pledged for the issuing of letters of guarantee;
- Deposits amounting to RMB13,618,311,000 (31 December 2021: RMB10,451,322,000) was pledged for the issuing bank accepted notes;
- Deposits amounting to RMB310,527,000 (31 December 2021: RMB272,574,000) was placed as environmental recovery deposits whose usage is restricted;



- Cash in bank amounting to RMB82,135,000 (31 December 2021: RMB77,132,000) was restricted due to litigation;
- Required mandatory reserve deposits and other restricted deposits amounting to RMB1,075,631,000 (31 December 2021: RMB874,098,000) placed by JCC Finance Company Limited, a subsidiary of the Group, in the People's Bank of China ("PBC"), which are not available for use in the Group's daily operations; and
- Interests which relating to the above restricted bank deposits amounting to RMB343,152,000 (31 December 2021: RMB118,841,000) was accrued on bank deposits.

At the end of the reporting period, the cash and cash equivalents and restricted bank deposits of the Group denominated in RMB amounted to RMB36,347,279,000 (31 December 2021: RMB30,561,601,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

As at 30 June 2022, the cash and bank balances of RMB1,772,948,000 (31 December 2021: RMB1,649,068,000) were placed in banks outside of Mainland China.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between seven day and one year depending on the immediate cash requirements of the Group, and earn interest at the respective short-term time deposit rates. The bank balances and restricted bank deposits are deposited with creditworthy banks with no recent history of default.

## 16. TRADE AND BILLS PAYABLES

	<b>30 June 2022</b>	31 December 2021
	<b>(RMB'000)</b>	<b>(RMB'000)</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Trade payables	<b>9,042,417</b>	7,829,772
Bills payables	<b>6,155,635</b>	3,338,155
	<b>15,198,052</b>	11,167,927

The trade payables are non-interest-bearing and are normally settled within 30 to 90 days.

As at 30 June 2022, the Group had no material balance of accounts payable aged over one year (31 December 2021: no material balance of accounts payable aged over one year).

## 17. CONTINGENT LIABILITIES

A subsidiary of the Group, Shenzhen Jiangxi Copper Marketing Company Limited, is currently a defendant in a lawsuit brought by Bangdi Auto Technology Company Limited (“**Bangdi Auto**”) alleging that the subsidiary breached a sale contract to deliver certain goods to another party, Hengbaochang Company (Shanghai) Copper Company Limited (“**Hengbaochang**”) without receiving Bangdi Auto’s delivery instructions during 2011 to 2015 (the “**Litigation**”). Compensation amounting to RMB1,081,872,000 is claimed by Bangdi Auto. As the actual controller of Hengbaochang was suspected of some economic crimes in the transactions involved and has been investigated by relevant judicial institutions, the facts of the case have become extremely complicated. Therefore, the Directors, based on the advice from the Group’s legal counsel, are not yet able to make a reliable estimate of the outcome of the Litigation as well as the resulting loss or gain.

By Order of the Board  
**JIANGXI COPPER COMPANY LIMITED**  
**Zheng Gaoqing**  
*Chairman*

Nanchang, Jiangxi, the People’s Republic of China,  
25 August 2022

*As at the date of this announcement, the executive directors of the Company are Mr. Zheng Gaoqing, Mr. Wang Bo, Mr. Gao Jian-min, Mr. Liang Qing, Mr. Liu Fangyun and Mr. Yu Tong; and the independent non-executive directors of the Company are Mr. Liu Erh Fei, Mr. Liu Xike, Mr. Zhu Xingwen and Mr. Wang Feng.*