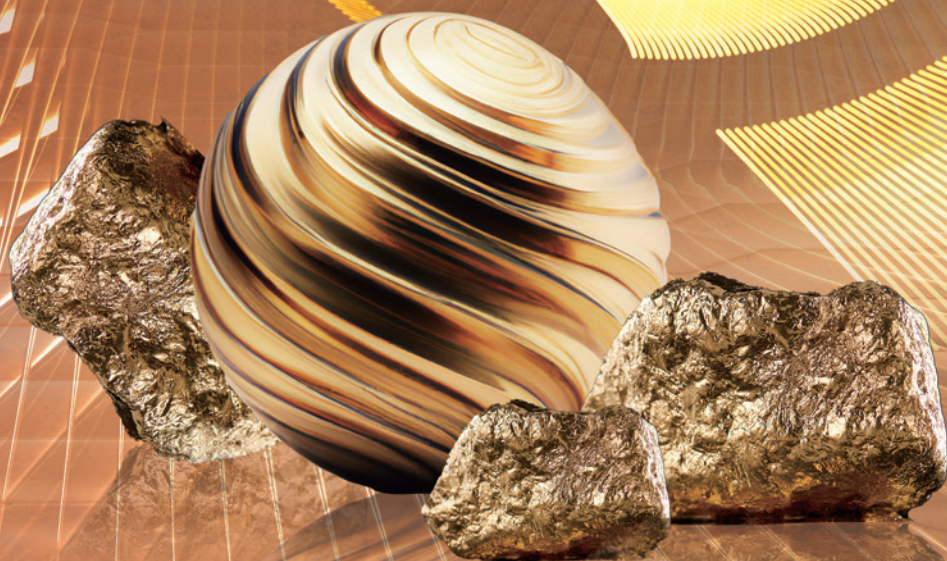




# Jiangxi Copper Company Limited

(Stock Code · H Share: 0358 · A Share: 600362)

## 2024 Annual Report





## Important Notice

- I. The Board, the Supervisory Committee and the Directors, Supervisors and senior management of the Company warrant the truthfulness, accuracy and completeness of the information contained in this annual report and there are no false representations, misleading statements contained herein or material omissions herefrom, and jointly and severally accept legal responsibility.
- II. All Directors attended the Board meeting in relation to approve, among others, the results for the year ended 31 December 2024.
- III. The consolidated financial statements of the Group for the Reporting Period prepared in accordance with the PRC GAAP and the IFRSs have been audited by Ernst & Young Hua Ming LLP (domestic auditor) and Ernst & Young (overseas auditor) respectively with standard unqualified audit report issued.
- IV. The person in charge of the Company, Mr. Zheng Gaoqing, the person in charge of accounting, Mr. Yu Minxin, and the person in charge of accounting department (accounting chief), Mr. Bao Xiaoming, warrant the truthfulness, accuracy and completeness of the financial report as set out in this annual report.
- V. Profit distribution plan or plan of conversion of capital reserve to share capital during the Reporting Period resolved and approved by the Board

The Board has recommended distributing to all Shareholders a final dividend of RMB0.70 per share (inclusive of tax) for 2024. The Board did not recommend conversion of capital reserve to share capital or issue of bonus shares.

- VI. Statement for the risks involved in the forward-looking statements  

This annual report contains forward-looking statements that involve future plans and development strategies which do not constitute a commitment by the Company to investors. Investors should be aware of the investment risks.
- VII. There is no misappropriation of funds by the controlling Shareholders and other connected parties for non-operation purpose in the Group.
- VIII. There are no external guarantees provided in violation of the stipulated decision-making procedures in the Group.
- IX. There is no more than half of the Directors that could not guarantee the truthfulness, accuracy and completeness of this annual report disclosed by the Group.
- X. Notice of major risks

The Company has described the industrial risks in details in this report. Please refer to the content under the "Potential risks" section of "Discussion and analysis by the Company concerning the future development of the Company" in the "Management Discussion and Analysis" section of this report.

- XI. Others

Unless otherwise specified, financial data involved in this report was extracted from the audited consolidated financial statements of the Group prepared in accordance with the PRC GAAP.

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## Definitions

Terms used herein, unless otherwise specified, shall have the same meanings ascribed to them as follows:

### Definitions to the frequently-used terms:

Articles	means	the Articles of Association of Jiangxi Copper Company Limited
Board	means	the board of Directors
Chengmenshan Copper Mine	means	one of the five mines under production located in Jiangxi Province owned by the Company, located in Jiujiang City, Jiangxi Province, and also refers to Chengmenshan Copper Mine of the Company
Company or Jiangxi Copper	means	Jiangxi Copper Company Limited
copper cathode and refined copper	means	prefabricate thick plate with crude copper as anode and sheet made of fine copper or stainless steel as cathode, and take the mixed solution of sulphuric acid and copper sulphate as electrolyte. After electrification, the copper is dissolved on the anode as copper ions, which then move from the anode to the cathode, pick up electrons and are deposited on the cathode
copper concentrates	means	the concentrates from low grade ores containing copper achieving certain quality indicators through processing and dressing processes, which can be directly used for copper smelting in smelters
copper contained in copper concentrates	means	the amount of copper in copper concentrates
copper rods and wires	means	rods and wires made of copper cathode by melting, casting and rolling
crude copper	means	the raw copper materials including impure copper and blister copper
CSRC	means	China Securities Regulatory Commission
Dexing Copper Mine	means	one of the five mines under production located in Jiangxi Province owned by the Company, located in Dexing City, Shangrao City, Jiangxi Province, and also refers to Dexing Copper Mine of the Company

## Definitions

Director(s)	means	the director(s) of the Company
Fuye Group	means	Fuye Group Co., Ltd.* (富冶集團有限公司) (formerly known as Zhejiang Fuye Group Co., Ltd.* (浙江富冶集團有限公司))
Geology Exploration Company	means	a mineral geological survey and exploration company owned by the Company, located in Shangrao City, Jiangxi Province, and also refers to JCC Geology Exploration Company Limited
Group	means	the Company and its subsidiaries
Guangdong Taolin	means	an ecological restoration and protection services company owned by the Company, located in Shaoguan City, Guangdong Province, and also refers to Guangdong JCC Taolin Ecological Environment Co., Ltd.
Guixi Smelter	means	a copper smelter owned by the Company, located in Guixi City, Jiangxi province, and also refers to Guixi Smelter of the Company
Heding Copper	means	Zhejiang Jiangtong Fuye Heding Copper Co., Ltd.* (浙江江銅富冶和鼎銅業有限公司)
Huadong Copper Foil	means	a lithium battery copper foil company owned by the Company, located in Shangrao City, Jiangxi Province, and also refers to Jiangxi JCC Huadong Copper Foil Co., Ltd.
Huadong Electric	means	a copper processing enterprise owned by the Company, located in Yingtian City, Jiangxi Province, and also refers to Jiangxi JCC Huadong Electric New Materials Technology Co., Ltd.
Humon Smelting	means	a gold smelting company owned by the Company, located in Yantai City, Shandong Province, and also refers to Shandong Humon Smelting Co., Ltd.
IFRSs	means	International Financial Reporting Standards
JCC	means	Jiangxi Copper Corporation Limited and its subsidiaries, but excluding the Group

## Definitions

JCC Environmental	means	an environmental protection treatment company owned by the Company, located in Shangrao City, Jiangxi Province, and also refers to Jiangxi JCC Environmental Resources Technology Co., Ltd.
JCC Hongyuan	means	a copper smelter owned by the Company, located in Guixi City, Jiangxi Province, and also refers to JCC Hongyuan Copper Industry Co., Ltd.
JCC Guoxing	means	a copper smelter owned by the Company, located in Yantai City, Shandong Province, and also refers to JCC Guoxing (Yantai) Copper Company Limited
JCC Longchang	means	a copper processing enterprise owned by the Company, located in Nanchang City, Jiangxi Province, and also refers to Jiangxi Copper Longchang Precise Copper Pipe Company Limited
JCC Taiyi	means	a copper processing enterprise owned by the Company, located in Nanchang City, Jiangxi Province, and also refers to Jiangxi Copper Taiyi Special Electrical Materials Company Limited
Jiangxi Cable	means	a cable company owned by the Company, located in Ji'an City, Jiangxi Province, and also refers to Jiangxi Cable Co., Ltd.
Listing Rules	means	the Rules Governing the Listing of Securities on the Stock Exchange
LME	means	London Metal Exchange
matte	means	copper produced by smelting of copper concentrates in a reverberatory furnace, electric furnace or flash furnace, with copper content of approximately 60%
PRC	means	The People's Republic of China
PRC GAAP	means	the PRC Accounting Standards for Enterprises
refined smelting	means	production and processing of crude copper to copper cathode

## Definitions

Reporting Period	means	for twelve months ended 31 December 2024
rough smelting	means	production and processing of copper concentrates to crude copper
SHFE	means	Shanghai Futures Exchange
SSE	means	Shanghai Stock Exchange
Shareholder(s)	means	the shareholder(s) of the Company
Stock Exchange	means	The Stock Exchange of Hong Kong Limited
sulphur concentrates	means	the sulphur product made from copper ores through mining, crushing, grinding-flotation, washing and other process as an important material for sulphuric acid production
sulphuric acid	means	one of the important products in the chemical industry, with molecular formula $H_2SO_4$ , which is a colourless, tasteless oil-like liquid, a strong acid with high boiling point, difficult to volatilise, easily soluble in water and miscible with water in any ratio
Supervisor(s)	means	the supervisor(s) of the Company
Supervisory Committee	means	the supervisory committee of the Company
Wushan Copper Mine	means	one of the five mines under production located in Jiangxi Province owned by the Company, located in Ruichang City, Jiangxi Province, and also refers to Wushan Copper Mine of the Company
Yinshan Mining	means	one of the five mines under production located in Jiangxi Province owned by the Company, located in Dexing City, Shangrao City, Jiangxi Province, and also refers to JCC Yinshan Mining Company Limited
Yongping Copper Mine	means	one of the five mines under production located in Jiangxi Province owned by the Company, located in Qianshan County, Shangrao City, Jiangxi Province, and also refers to Yongping Copper Mine of the Company

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

# Corporate Profile

## I. CORPORATE INFORMATION

Name of the Company in Chinese	江西銅業股份有限公司
Chinese abbreviation	江西銅業
Name of the Company in English	Jiangxi Copper Company Limited
English abbreviation	JCCL
Legal representative	Zheng Gaoqing

## II. CONTACT PERSONS AND CONTACT METHODS

	Secretary to the Board	Securities affairs representative
Name	Liao Xingeng	Wan Haiping
Address	7666 Changdong Avenue, High-tech Development Zone, Nanchang, Jiangxi Province, the People's Republic of China	7666 Changdong Avenue, High-tech Development Zone, Nanchang, Jiangxi Province, the People's Republic of China
Telephone	(86)791-82710117	(86)791-82710566
E-mail	jccl@jxcc.com	jccl@jxcc.com

## III. BASIC INFORMATION

Registered address of the Company	15 Yejin Avenue, Guixi City, Jiangxi Province, the People's Republic of China
Historical changes in the registered address of the Company	Nil
Office address of the Company	7666 Changdong Avenue, High-tech Development Zone, Nanchang, Jiangxi Province, the People's Republic of China
Postal code of the office address of the Company	330096
Website of the Company	<a href="http://www.jxcc.com">http://www.jxcc.com</a>
E-mail	jccl@jxcc.com



## Corporate Profile

### IV. INFORMATION DISCLOSURE AND PLACE OF INSPECTION

Media and website for disclosure of the Company's annual report	Shanghai Securities News (www.cnstock.com), Securities Daily (www.zqrb.cn) and Securities Times (www.stcn.com)
Website of the stock exchange for disclosure of the Company's annual report	www.sse.com.cn
Place for inspection of the Company's annual report	7666 Changdong Avenue, High-tech Development Zone, Nanchang, Jiangxi Province, the People's Republic of China

### V. INFORMATION ON THE COMPANY'S SHARES

Information on the Company's shares			
Class of shares	Stock exchange on which shares are listed	Stock abbreviation	Stock code
A shares	SSE	Jiangxi Copper	600362
H shares	the Stock Exchange	Jiangxi Copper	358

### VI. OTHER RELEVANT INFORMATION

Auditor appointed by the Company (Domestic)	Name	Ernst & Young Hua Ming LLP
	Office address	Level 17, EY Tower, Oriental Plaza, No. 1 East Chang An Avenue, Dong Cheng District, Beijing
Auditor appointed by the Company (Overseas)	Name of signing auditor(s)	Song Congyue (宋從越), Wang Yangyisu (汪洋一粟)
	Name	Ernst & Young
Auditor appointed by the Company (Overseas)	Office address	27/F, One Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong
	Name of signing auditor(s)	Siu Fung Terence Ho (何兆烽)

# Summary of Accounting Data and Financial Indicators

## I. MAJOR ACCOUNTING DATA AND FINANCIAL INDICATORS IN THE LAST THREE YEARS

### (I) Major accounting data (prepared in accordance with the PRC GAAP)

Unit: Yuan Currency: RMB

Major accounting information	2024	2023	Increase/decrease for the period as compared with the corresponding period of last year (%)	2022
Revenue	520,928,245,943	521,892,512,166	-0.18	479,938,045,193
Net profit attributable to shareholders of the Company	6,962,197,980	6,505,109,122	7.03	5,993,964,274
Net profit after non-recurring profit and loss items attributable to shareholders of the Company	8,287,226,783	5,373,810,735	54.22	5,417,038,713
Net cash flows from operating activities	2,507,849,798	10,931,174,473	-77.06	10,641,320,122

	As at the end of 2024	As at the end of 2023	Increase/decrease at the end of the period as compared with the end of the corresponding period of last year (%)	As at the end of 2022
Net assets attributable to shareholders of the Company	77,945,429,075	67,422,048,424	15.61	73,518,652,248
Total assets	193,127,834,940	168,150,905,428	14.85	167,330,538,537

## Summary of Accounting Data and Financial Indicators

### (II) Major accounting data (prepared in accordance with the IFRSs)

Unit: '000 Yuan Currency: RMB

	2024	2023	Increase/ (decrease) (%)
Revenue	<b>519,248,233</b>	520,338,500	-0.21
Profit before tax	<b>9,039,403</b>	8,632,470	4.71
Income tax	<b>1,685,679</b>	1,404,318	20.04
Profit attributable to non-controlling interests	<b>452,737</b>	482,313	-6.13
Profit attributable to shareholders of the Company	<b>6,900,987</b>	6,745,839	2.30
Basic and diluted earnings per ordinary share attributable to shareholders of the Company (RMB Yuan)	<b>2.00</b>	1.95	2.56

	As at 31 December 2024	As at 31 December 2023	Increase/ (decrease) (%)
Total assets	<b>193,127,836</b>	168,150,906	14.85
Total liabilities	<b>105,325,779</b>	91,402,241	15.23
Equity attributable to shareholders of the Company	<b>77,945,429</b>	67,422,048	15.61
Equity per share attributable to shareholders of the Company (RMB Yuan)	<b>22.51</b>	19.47	15.61

## Summary of Accounting Data and Financial Indicators

### (III) Major financial indicators (prepared in accordance with the PRC GAAP)

Unit: Yuan Currency: RMB

Major financial indicator	2024	2023	Increase/decrease for the period as compared with the corresponding period of last year (%)	2022
Basic earnings per share (RMB/share)	2.01	1.88	6.91	1.73
Diluted earnings per share (RMB/share)	N/A	N/A	N/A	N/A
Basic earnings per share after non- recurring profit and loss items (RMB/share)	2.40	1.55	54.84	1.56
Rate of return on net assets (weighted average) (%)	9.58	9.23	Increased by 0.35 percentage point	8.36
Rate of return on net assets after non-recurring profit and loss items (weighted average) (%)	11.40	7.63	Increased by 3.77 percentage points	7.56

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

**Differences in net profit and net assets attributable to shareholders of the Company in the consolidated financial report prepared under the IFRSs and those 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	As at the end of the period	As at the beginning of the period
Under the PRC GAAP	6,962,197,980	6,505,109,122	77,945,429,075	67,422,048,424
Adjustments to items and amounts under the IFRSs:				
Safety fund expenses provided but not used under the PRC GAAP during the period	-61,210,629	240,730,298		
Under the IFRSs	6,900,987,351	6,745,839,420	77,945,429,075	67,422,048,424



# Summary of Accounting Data and Financial Indicators

## Explanation on the differences between domestic and overseas accounting standards:

Pursuant to the provisions of the Administrative Measures on the Appropriation and Use of Production Safety Fees of Enterprises ((2022) No.136) of the Ministry of Finance and the Ministry of Emergency Management of the PRC, appropriations of safety fees shall be made. The safety fees are used exclusively for the improvement and enhancement of enterprise production safety conditions. The appropriated safety fees are recorded as the cost or profit and loss for the period of the relevant products, and are separately reflected in "special reserves" under shareholders' equity. Where the use of the appropriated production safety fees amounts to cost of expenditure, the special reserves shall be directly offset. Where the use of the appropriated production safety fees forms fixed assets, the costs incurred through the accumulation of construction-in-progress items are recognised as fixed assets when they reach their intended usable conditions after the completion of the safety projects. Meanwhile, the special reserves shall be offset by the costs of forming the fixed assets, and the same amount of accumulated depreciation shall be recognised. Such fixed assets shall no longer be depreciated in subsequent periods. Under the IFRSs, the production safety fees are individually reflected in the form of profit distribution in restricted reserve of shareholders' equity when appropriated. Costs of expenditure within the prescribed scope of use shall be recorded in the statement of comprehensive income for the current period when such expenditures are incurred. Capital expenditures shall be transferred to property, plant and equipment upon construction completion, and shall be depreciated in accordance with the depreciation policy of the Company. Meanwhile, the actual amounts of, among other things, production safety fees used during the current period shall be carried over internally in shareholders' equity, and shall be offset against restricted reserves and increase the undistributed profit, to the limit that restricted reserves are offset to zero.

## III. MAJOR QUARTERLY FINANCIAL DATA IN 2024 (PREPARED IN ACCORDANCE WITH THE PRC GAAP)

Unit: Yuan Currency: RMB

	First quarter (January–March)	Second quarter (April–June)	Third quarter (July–September)	Fourth quarter (October–December)
Revenue	122,516,634,600	150,574,841,340	123,273,907,982	124,562,862,021
Net profit attributable to shareholders of the Company	1,714,868,346	1,901,833,652	1,367,497,892	1,977,998,090
Net profit after non-recurring profit and loss items attributable to shareholders of the Company	1,806,323,362	3,186,281,541	981,358,164	2,313,263,716
Net cash flows from operating activities	-6,068,554,414	1,268,842,983	5,295,140,768	2,012,420,461

# Summary of Accounting Data and Financial Indicators

## IV. NON-RECURRING PROFIT AND LOSS ITEMS AND AMOUNTS (PREPARED IN ACCORDANCE WITH THE PRC GAAP)

Unit: Yuan Currency: RMB

Non-recurring profit and loss item	2024 amount	2023 amount	2022 amount
Profit and loss from disposal of non-current assets, including the reversal of provision for impairment on assets	-50,929,723	38,569,449	58,022,750
Government grants as included in profit and loss for the period, other than those that are closely related to the ordinary business of the Company, in compliance with national policies, subject to fixed standards and having continuous effects on the Company's profit and loss	462,893,058	461,965,791	294,680,838
Profit and loss from changes in the fair value of financial assets and financial liabilities held by non-financial enterprises and profit and loss from the disposal of financial assets and financial liabilities except for effective hedging businesses related to the ordinary business of the Company	-2,135,235,862	674,792,250	161,795,843
Reversal of provision for impairment on accounts receivable individually tested for impairment	38,750,110	141,570,684	174,857,236
Income from enterprises' investment costs in acquiring subsidiaries, associates and joint ventures being less than the fair value of the investees' identifiable net assets at time of acquisition	352,648,901	1,113,479	0
Net profit and loss for the period of subsidiaries from the beginning of the period to the date of consolidation arising from a business merger under common control	0	2,356,636	0
Other non-operating income and expenses other than the above	5,124,987	27,082,259	-53,193,618
Less: Impact from income tax	-89,341,190	155,341,488	67,372,770
Impact from interests of non-controlling shareholders (after tax)	87,621,464	60,810,673	-8,135,282
Total	-1,325,028,803	1,131,298,387	576,925,561

Note: The Group has formulated a strict hedging plan and internal control system. Hedging transactions are only for the purpose of hedging the risk of changes in commodity prices and any speculative transactions are prohibited to safeguard the Group's long-term stable development. For hedging transactions to which the Group has not applied the hedging accounting standards in the ordinary course of business, profits or losses from changes in the fair value of derivative financial instruments involved are recognised at the end of each period and transferred to investment profit/losses when the positions are closed, which is implemented in strict accordance with the requirements of the Explanatory Notice on Information Disclosure of Companies with Public Offering No. 1 – Non-recurring Profit and Loss, where the profits and losses arising from the above hedging transactions that are not accounted for by applying the hedging accounting standards in the ordinary course of business are included in non-recurring profits and losses.

## Summary of Accounting Data and Financial Indicators

### V. ITEMS MEASURED AT FAIR VALUE (PREPARED IN ACCORDANCE WITH THE PRC GAAP)

Unit: Yuan Currency: RMB

Item	Opening balance	Closing balance	Changes during the period	Impact on profit of the period
1. Investments in held-for-trading equity instruments				
Stock investments	160,284,019	<b>148,484,595</b>	-11,799,424	-14,439,410
2. Investments in held-for-trading debt instruments				
Bond investment	3,909,899,948	<b>705,179,049</b>	-3,204,720,899	63,913,428
Investment in debt instrument	3,503,240,872	<b>5,733,563,803</b>	2,230,322,931	213,754,007
3. Other non-current financial assets	1,406,386,291	<b>996,163,318</b>	-410,222,973	31,166,104
4. Investment in other equity instruments	7,526,703,787	<b>62,506,699</b>	-7,464,197,088	1,380,815
5. Other debt instruments	0	<b>134,600,330</b>	134,600,330	0
6. Derivatives not designated as a hedging relationship				
Foreign currency forward contracts	-50,334,963	<b>-28,342,162</b>	21,992,801	-59,428,660
Commodity option contracts	-18,515,547	<b>-38,953,914</b>	-20,438,367	55,954,650
Commodity futures contracts	-111,365,390	<b>125,036,151</b>	236,401,541	-1,555,743,257
7. Hedging instruments				
Effective hedging derivative instruments				
Commodity futures contracts	-27,625,296	<b>308,009,307</b>	335,634,603	-189,319,837
Provisional price arrangements	-279,085,733	<b>34,016,459</b>	313,102,192	587,095,039
8. Items measured at fair value included in inventory	10,339,932,275	<b>10,157,044,594</b>	-182,887,681	-388,024,447
9. Financing of accounts receivable	1,781,688,042	<b>1,779,281,816</b>	-2,406,226	-176,763,507
10. Liabilities from financial guarantee contracts	-32,546,477	<b>-38,651,401</b>	-6,104,924	-6,104,924
Total	28,108,661,828	<b>20,077,938,644</b>	-8,030,723,184	-1,436,559,999

# Management Discussion and Analysis

(The data in this section is extracted from the consolidated financial statements prepared under the PRC GAAP)

## I. MANAGEMENT DISCUSSION AND ANALYSIS

In 2024, the Group firmly upheld the standards of high-quality development, and effectively overcame a series of difficulties and challenges including profound changes in the international environment, sustained pressure on economic operations and drastic fluctuations in the prices of main products. Work in various areas showed a good trend of steady progress and continuous improvement.

In 2024, the Company recorded revenue of RMB520,928,000,000, representing a year-on-year decrease of 0.18% (the corresponding period of last year: RMB521,893,000,000); net profit attributable to shareholders of the Company of RMB6,962,000,000, representing a year-on-year increase of 7.03% (the corresponding period of last year: RMB6,505,000,000). As at 31 December 2024, the Company's total assets amounted to RMB193,128,000,000, representing an increase of 14.85% as compared with that at the beginning of the year (the beginning of the year: RMB168,151,000,000), of which net assets attributable to shareholders of the Company amounted to RMB77,945,000,000, representing an increase of 15.61% as compared with the beginning of the year (the beginning of the year: RMB67,422,000,000).

### (1) Steady growth in production and operation

Product	2024 production volume	2023 production volume	Year-on- year growth (%)
Copper cathode ( <i>ten thousand tonnes</i> )	229.19	209.73	9.28
Gold ( <i>tonne</i> )	118.26	112.64	4.99
Silver ( <i>tonne</i> )	1,214.18	1,351.54	-10.16
Sulphuric acid ( <i>ten thousand tonnes</i> )	604.12	595.79	1.40
Copper processed products ( <i>ten thousand tonnes</i> )	189.28	181.79	4.12
Including: copper rods	168.90	166.57	1.40
Copper contained in self-produced copper concentrates ( <i>ten thousand tonnes</i> )	19.97	20.20	-1.14
Standard sulphur concentrates ( <i>ten thousand tonnes</i> )	271.66	265.85	2.19
Conversion of molybdenum concentrates (45%) ( <i>tonne</i> )	8,466.00	10,006.00	-15.39



# Management Discussion and Analysis

## (2) Continuous strengthening of industrial foundation

In 2024, the Company focused on primary responsibilities and main businesses, accelerated the construction and implementation of key projects, with a number of key projects efficiently completed: significant achievements were made in the copper processing sector, with the expansion of ultra-high-voltage cross-linked cables of Jiangxi Cable, Huadong Copper Phase I, Huadong Electric Phase I and other projects put into production and operation successfully; as for the smelting sector, projects such as the comprehensive recovery of polymetallic complex ores of Weihai Humon Mine Smelting Development Co., Ltd., and projects such as 150,000 tonnes per year of fuming acid project of Jiangxi Jiangtong-Wengfu Chemical Engineering Company Limited were completed and put into production as scheduled; as for the mining sector, the Kazakhstan tungsten mine project was completed and achieved trial production within the year. In addition, a number of mining and smelting projects, including the 5,000 tonnes per day open-pit mining of Yinshan Mining, the Mexican slag beneficiation, and the capacity expansion and renovation of JCC Guoxing are progressing rapidly, continuously injecting new momentum into the Company's economic growth.

## (3) Significant achievements made in optimising technological innovation

Significant efforts were made to cultivate and develop new quality productivity, promoting the deep integration of technological innovation with industrial innovation. The national key R&D projects led by the Company have achieved phased progress, realising the resource utilisation of low-grade ores with a grade of 0.16%; the self-developed green beneficiation reagent completed industrial trials, reducing beneficiation costs while significantly improving the recovery rates of various valuable metals; commenced extraction and high-value utilisation of rare, precious and scattered metals, with smelting units achieving direct recovery of elements such as rhodium, tellurium, antimony, tin and bismuth. Throughout the year, a total of 16 technological innovation projects received awards at provincial and ministerial levels or above, and 198 patents were obtained, including 30 invention patents. In addition, the Company continued to deepen the construction of a high-end and cutting-edge industry-academia-research innovation system, and engaged in multi-field collaborations with domestic and international universities and institutes such as Nanchang University, Tsinghua University, Monash University in Australia and the Institute of Electrical Engineering of the Chinese Academy of Sciences, strongly facilitating the convergence of scientific, educational and talent resources towards the industrial "main battlefield" of the Company.

## Management Discussion and Analysis

### (4) Optimisation of strategic resource layout

Adhering to the priority of resource strategy, the Company intensified its work efforts and strived for key breakthroughs with an urgent sense of mission and responsibility. In 2024, the Company facilitated and deepened the strategic partnership with First Quantum Minerals Ltd. (“**First Quantum**”) of Canada, and entered into a shareholder rights agreement, actively carrying out in-depth cooperation; established new offices in South America, Southeast Asia and other regions, and formed a systematic layout together with the Kazakhstan tungsten mine project division, the Mexican slag beneficiation project division and the African mining preparation group, thereby deeply participating in the reshaping of the international industrial chain; emphasised the role of the Geology Exploration Company as the “probe and antenna” in overseas resource cooperation, accelerating the construction of an overseas resource development system.

### (5) High-level implementation of the digital transformation strategy

The Company accelerated the pace of “118N” digital transformation, and vigorously promoted the construction of a unified digital system, urging multiple subordinate units to complete the formulation of digital transformation plans. The Company coordinated the implementation of digital projects, such as “Application of the Internet of Things in Intelligent Plants for Copper Smelting” of Guixi Smelter and “Industrial Internet + Artificial Intelligence Assisting Digital Mine Transformation” of Dexing Copper Mine, that received awards at provincial and ministerial levels or above, establishing a series of industry-influential digital typical scenarios and transformation benchmarks.

### (6) Pragmatic and steady risk prevention and control

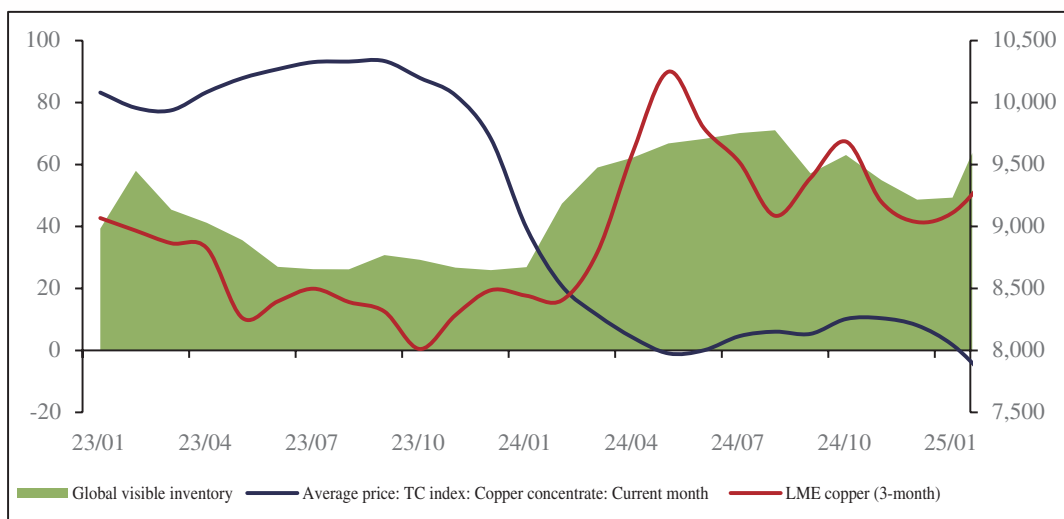
The Company advanced the actions for tackling fundamental safety production challenges in depth to ensure a stable situation regarding the Company’s safety and environmental protection. Adhering to the principle of supporting high-quality development with high-level protection, the ecological restoration case of Yongping Copper Mine was selected as one of the first 15 typical cases of ecological restoration in production mines in the nation; two mine restoration research projects of Guangdong Taolin were approved as the national key R&D programs, and both Guangdong Taolin and Jiangxi JCC Copper Foil Technology Company Limited (“**JCC Copper Foil**”) were selected as the national specialised, refined, distinctive and innovative “Little Giant” enterprises.

The Company further strengthened the effectiveness of horizontal collaborative supervision over areas such as audit and risk control, comprehensively integrated supervisory resources and effectively enhanced the efficiency of collaborative supervision, to effectively safeguard the Company’s legitimate rights and interests and lay a solid foundation for the Company’s stable operation.

## Management Discussion and Analysis

### II. INDUSTRY OF THE COMPANY DURING THE REPORTING PERIOD

In 2024, the overall fluctuations of the copper price were materially amplified, with a higher operating pivot than that in 2023. In the first half of the year, there were marginal signs of recovery in overseas manufacturing industry, with the expectation of a tightened supply of copper mines fermented and the low inventory contradiction on COMEX during this period, resulting in the increase in market attention and the increase in copper prices reaching historic highs. In the middle of the year, the expectation for phased overseas recession fermented, and coupled with the incremental contribution of renewable materials, smelters did not substantially reduce production. High prices caused a significant suppressive effect on consumption, and the fundamentals of refined copper continued to drag on beyond expectations, Shanghai copper prices fell back to approximately RMB70,000 per tonne. Since the third quarter, the volatility of copper prices was marginally narrowed, among others, domestic policies shifting at the end of September and faster destocking of spot goods stimulated Shanghai copper prices to return back to RMB79,000 per tonne. However, the spot weakened afterwards, compounded with the strong US dollar brought by the macro disturbance of the "Trump Trade" suppressing copper prices, Shanghai copper prices fell to approximately RMB73,000 per tonne. At the end of the year, macro disturbances eased and the spot support returned, causing the stabilisation of copper prices. The average price of the LME copper (3-month) for the entire year of 2024 was US\$9,269 per tonne, representing an increase of 9% compared to the average price in 2023, and the average price of Shanghai copper's main contract was RMB75,053 per tonne, representing an increase of 10.3% compared to the average price in 2023.



## Management Discussion and Analysis

In terms of the fundamentals, on the raw material side, the global copper concentrate production growth rate in 2024 was 1.4%, lower than that in the previous years and significantly lower than the potential growth rate of its demand, leading to a continuous decline in TC/RC prices. The TC/RC prices of the long-term contracts entered into between copper mining companies and smelters slipped from US\$80 per tonne and US\$8 cents per pound to US\$23.25 per tonne and US\$2.33 cents per pound, with spot prices once falling to negative values. In 2024, the overall supply and demand of refined copper were in a weak balance, with its global visible inventory increasing by 228,000 tonnes. On the supply side of refined copper, due to the elevated contribution of renewable raw materials, global refined copper production maintained a relatively high growth rate of approximately 3%; on the consumption side of refined copper, global refined copper consumption grew by 1.8%; in terms of end-use, the new energy sector (including wind power, photovoltaics, energy storage, and new energy vehicles) remained the main driver of global copper consumption growth, accounting for an increased proportion of global copper demand to 15%. At the same time, global investment in power grids continuously maintained a relatively high growth rate and emerging economies such as India consistently contributed to certain incremental demand, collectively boosting global copper demand. However, the domestic real estate continued its downward trend, with substantial year-on-year decline in completed construction area, dragging down the related copper demand.

In terms of copper processing, the phenomenon of structural differentiation persisted, with rapid growth in demand for areas such as power electronics, new energy vehicles and air conditioners. The demand for copper materials has been undergoing a transition from traditional to new driving forces, with high-tech categories such as copper foil and copper pipes driving overall demand. Nevertheless, intensified industry competition and rapid expansion of industrial capacity led to a continued reduction in copper foil processing fees and a significant year-on-year drop in industry profits as compared to that of 2023. In addition, the frequent volatility of copper prices in 2024 increased the uncertainty in the procurement costs for copper processing enterprises, exerting pressure on production planning and product pricing.

In terms of policies, the Ministry of Industry and Information Technology of the PRC (“**Ministry of Industry and Information Technology**”) and ten other departments collectively issued the Implementation Plan for High-Quality Development of the Copper Industry (2025–2027) (《銅產業高質量發展實施方案（2025–2027年）》) in 2024, proposing that by 2027, the resilience and safety level regarding the supply chain of the copper industry chain in China will be significantly improved, and to facilitate the copper industry to commence the transformation of basic networks, basic automation, and management informatization audit, accelerating the digitalisation, networking, and intelligentization of enterprises.



## Management Discussion and Analysis

### III. MAJOR BUSINESS OPERATIONS DURING THE REPORTING PERIOD

According to the audited 2024 consolidated financial statement prepared in accordance with PRC GAAP, the consolidated revenue of the Group is RMB520,928,245,943 (2023: RMB521,892,512,166), representing a decrease of RMB964,266,223 (or -0.18%) as compared with last year; recording net profit attributable to shareholders of the Company of RMB6,962,197,980 (2023: RMB6,505,109,122), representing an increase of RMB457,088,858 (or 7.03%) as compared with last year; basic earning per share is RMB2.01 (2023: RMB1.88).

#### (I) Analysis of principal businesses (prepared in accordance with the PRC GAAP)

##### 1. Table of movement analysis for the related items in income statement and cash flow statement

Unit: Yuan Currency: RMB

Items	For the period	For the corresponding period of last year	Changes (%)
Revenue	520,928,245,943	521,892,512,166	-0.18
Cost of sales	502,484,215,994	507,899,464,795	-1.07
Selling expenses	411,396,728	358,092,070	14.89
Administrative expenses	2,855,813,493	2,558,698,737	11.61
Financial expenses	791,067,041	384,112,805	105.95
Expenses on research and development	1,118,434,386	1,020,173,129	9.63
Net cash flow from operating activities	2,507,849,798	10,931,174,473	-77.06
Net cash flow from investing activities	-12,303,078,917	-8,228,217,645	49.52
Net cash flow from financing activities	5,732,637,522	1,932,729,185	196.61
Investment gains	-2,147,094,997	315,059,548	-781.49
Gains from changes in fair value	144,926,577	400,189,970	-63.79
Impairment losses on credit	294,198,808	10,209,491	2,781.62
Gains from disposal of assets	-13,336,526	15,383,251	-186.70
Non-operating income	434,752,213	64,844,152	570.46

## Management Discussion and Analysis

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Explanation on changes in revenue: mainly due to changes in prices and sales volume of main products;

Explanation on changes in cost of sales: mainly due to changes in cost prices and sales volumes of raw materials;

Explanation on changes in selling expenses: mainly due to the increase in sales commissions and export product fees;

Explanation on changes in administrative expenses: mainly due to the increase in wages and welfare expenses;

Explanation on changes in financial expenses: mainly due to the increase in interest expenses on borrowings and gold leases;

Explanation on changes in expenses on research and developments: mainly due to changes in research and development investments;

Explanation on changes in net cash flow from operating activities: mainly due to the increase in inventories and operating receivables;

Explanation on changes in net cash flow from investing activities: mainly due to the increase in investments;

Explanation on changes in net cash flow from financing activities: mainly due to the increase in the scale of borrowings;

Explanation on changes in investment gains: mainly due to the increase in losses on investments in derivative financial instruments;

Explanation on changes in gains from changes in fair value: mainly due to changes in fair value of investments in held-for-trading debt instruments;

Explanation on changes in impairment losses on credit: mainly due to the increase in bad debt losses on trade receivable;

Explanation on changes in gains from disposal of assets: mainly due to the increase in losses on disposal of assets;

## Management Discussion and Analysis

Explanation on changes in non-operating income: mainly due to the conversion of the investments in First Quantum from financial instrument investments to long-term equity investments accounted for using the equity method.

Detailed explanation of material changes in business type, profit composition or profit source of the Company for the period

Not applicable

### 2. Analysis on income and cost

#### (1) *Principal businesses by industry, by product, by geographical location and by sales model*

Unit: Yuan Currency: RMB

By industry	Revenue	Cost of sales	Principal businesses by industry			
			Gross profit margin (%)	Increase/decrease in operating revenue as compared with last year (%)	Increase/decrease in operating cost as compared with last year (%)	Increase/decrease in gross profit margin as compared with last year (%)
Industry and other non-trading revenue	326,555,383,423	310,318,055,434	4.97	17.84	17.57	Increased by 0.22 percentage point
Trading revenue	192,010,980,380	190,156,014,474	0.97	-20.84	-21.50	Increased by 0.84 percentage point
Others	2,361,882,140	2,010,146,086	14.89	6.30	18.13	Decreased by 8.52 percentage points

# Management Discussion and Analysis

Unit: Yuan Currency: RMB

By product	Principal businesses by product			Increase/decrease in operating revenue as compared with last year (%)	Increase/decrease in operating cost as compared with last year (%)	Increase/decrease in gross profit margin as compared with last year (%)
	Revenue	Cost of sales	Gross profit margin (%)			
Copper cathode	268,526,293,106	258,311,685,223	3.80	-13.36	-14.25	Increased by 1.00 percentage point
Copper rods and wires	118,734,727,031	117,672,482,308	0.89	34.85	34.36	Increased by 0.36 percentage point
Gold	65,896,987,916	63,852,949,914	3.10	27.84	26.73	Increased by 0.85 percentage point
Copper processed products	10,163,644,381	10,090,120,402	0.72	48.24	53.10	Decreased by 3.15 percentage points
Silver	16,906,504,250	15,575,839,636	7.87	-17.28	-20.88	Increased by 4.19 percentage points
Chemical products (sulphuric acid and sulphur concentrates)	2,828,116,734	1,856,949,563	34.34	68.75	23.96	Increased by 23.72 percentage points
Copper concentrates, rare and scattered metals and other non- ferrous metals	26,647,048,027	25,985,640,355	2.48	-18.78	-20.29	Increased by 1.85 percentage points
Other products	8,863,042,358	7,128,402,507	19.57	5.86	7.38	Decreased by 1.14 percentage points
Other business revenue	2,361,882,140	2,010,146,086	14.89	6.30	18.13	Decreased by 8.52 percentage points



## Management Discussion and Analysis

Unit: Yuan Currency: RMB

Principal businesses by geographical location						
By geographical location	Revenue	Cost of sales	Gross profit margin (%)	Increase/decrease in operating revenue as compared with last year (%)	Increase/decrease in operating cost as compared with last year (%)	Increase/decrease in gross profit margin as compared with last year (%)
Mainland China	455,227,342,696	437,595,850,794	3.87	-1.75	-2.7	Increased by 0.94 percentage point
Hong Kong	32,064,438,592	31,583,320,746	1.50	24.37	22.71	Increased by 1.33 percentage points
Other regions	33,636,464,655	33,305,044,454	0.99	2.58	2.66	Decreased by 0.08 percentage point
Total	520,928,245,943	502,484,215,994	3.54	-0.18	-1.07	Increased by 0.86 percentage point

Unit: Yuan Currency: RMB

Principal businesses by sales model						
Sales model	Revenue	Cost of sales	Gross profit margin (%)	Increase/decrease in operating revenue as compared with last year (%)	Increase/decrease in operating cost as compared with last year (%)	Increase/decrease in gross profit margin as compared with last year (%)
Offline sales	520,928,245,943	502,484,215,994	3.54	-0.18	-1.07	Increased by 0.86 percentage point

Explanation on principal businesses by industry, by product, by geographical location and by sales model

The scope of the abovementioned statistics includes trading.

## Management Discussion and Analysis

### (2) Analysis table for production and sales

Main product	Unit	Production	Sales	Inventory	Increase/ decrease in production as compared with last year (%)	Increase/ decrease in sales as compared with last year (%)	Increase/ decrease in inventory as compared with last year (%)
Copper cathode	Ten thousand tonnes	229.19	228.97	1.83	9.28	9.24	13.76
Gold	Tonne	118.26	119.09	0.02	4.99	5.65	-97.85
Silver	Tonne	1,214.18	1,258.59	49.52	-10.16	-3.58	-47.28
Sulphuric acid	Ten thousand tonnes	604.12	607.75	5.93	1.40	1.92	-37.95
Copper processed products	Ten thousand tonnes	189.28	188.99	2.73	4.12	3.86	11.72

Explanation on production and sales

The scope of statistics of the abovementioned "Analysis table for production and sales" excludes trading.

## Management Discussion and Analysis

### (3) Performance of material procurement contracts and material sales contracts

Not applicable

### (4) Analysis table for costs

Unit: Yuan Currency: RMB

By industry						
By industry	Cost constituent	For the period	Share of total costs for the period (%)	For the corresponding period of last year	Share of total costs for the corresponding period of last year (%)	Changes of the amount for the period as compared with the corresponding period of last year (%)
Manufacturing of non-ferrous metals	Raw materials	296,435,807,550	59.23	250,258,076,439	49.44	18.45
	Energy power	3,562,268,426	0.71	3,652,111,973	0.72	-2.46
	Labour	2,305,713,465	0.46	2,276,723,897	0.45	1.27
	Overheads	8,014,265,993	1.60	7,764,364,043	1.53	3.22
	Sub-total	310,318,055,434	62.00	263,951,276,352	52.14	17.57
Trading of non-ferrous metals and others		190,156,014,474	38.00	242,246,571,658	47.86	-21.50
	Total	500,474,069,908	100.00	506,197,848,010	100.00	-1.13

## Management Discussion and Analysis

Unit: Yuan Currency: RMB

By product						
By product	Cost constituent	For the period	Share of total costs for the period (%)	For the corresponding period of last year	Share of total costs for the corresponding period of last year (%)	Changes of the amount for the period as compared with the corresponding period of last year (%)
Copper products	Raw materials	227,152,155,065	45.39	192,187,733,763	37.96	18.19
	Energy power	2,700,055,839	0.54	2,758,428,023	0.54	-2.12
	Labour	1,670,147,432	0.33	1,645,374,697	0.33	1.51
	Overheads	5,623,600,320	1.12	5,575,794,610	1.10	0.86
	Sub-total	237,145,958,656	47.38	202,167,331,093	39.93	17.30
By-products of precious metals	Raw materials	68,903,481,685	13.77	57,962,751,593	11.46	18.88
	Energy power	334,866,845	0.07	366,648,068	0.07	-8.67
	Labour	371,138,384	0.07	351,433,756	0.07	5.61
	Overheads	1,264,818,340	0.25	1,136,423,442	0.22	11.30
	Sub-total	70,874,305,254	14.16	59,817,256,859	11.82	18.48
Chemical products	Raw materials	356,577,595	0.07	53,192,774	0.02	570.35
	Energy power	409,080,943	0.08	398,803,382	0.08	2.58
	Labour	198,401,009	0.04	220,099,864	0.04	-9.86
	Overheads	892,890,016	0.18	825,926,059	0.16	8.11
	Sub-total	1,856,949,563	0.37	1,498,022,079	0.30	23.96
Rare and scattered metals	Raw materials	23,593,205	0.01	54,398,309	0.01	-56.63
	Energy power	118,264,799	0.02	128,232,500	0.03	-7.77
	Labour	66,026,640	0.01	59,815,580	0.01	10.38
	Overheads	232,957,317	0.05	226,219,932	0.04	2.98
	Sub-total	440,841,961	0.09	468,666,321	0.09	-5.94
Trading and others		190,156,014,474	38.00	242,246,571,658	47.86	-21.50
Total		500,474,069,908	100.00	506,197,848,010	100.00	-1.13

Other explanation on analysis on costs

The scope of statistics of the abovementioned “Principal businesses by product” includes trading and excludes other business costs.

## Management Discussion and Analysis

**(5) *Changes in the scope of consolidation due to changes in shareholding of major subsidiaries during the Reporting Period***

In July 2024, the Company entered into an “Agreement of Persons Acting in Concert” with the other natural person shareholders (with a shareholding of 20%) of Jiangxi Depu Mining Equipment Co., Ltd. (江西德普礦山設備有限公司) (“**Depu Mining**”), pursuant to which such natural person shareholders shall unconditionally vote in line with the Company when resolutions are passed at the board meetings and shareholders’ meetings. After the signing of the agreement, the Company’s shareholding percentage in Depu Mining was 49%, with 69% of the voting rights. The Company had control over Depu Mining’s production and operation decisions, and the Company included Depu Mining in the scope of consolidation.

On 26 December 2024, the Company entered into a “Capital Increase and Share Expansion Agreement” with other natural person shareholders of Dalian Liancheng Numerical Control Machine Co., Ltd. (大連連城數控機器股份有限公司) and Jiangxi Chuanhe New Materials Co., Ltd. (江西川禾新材料有限公司) (“**Jiangxi Chuanhe**”), pursuant to which the Company shall make a capital increase in Jiangxi Chuanhe at a consideration of RMB200 million. Upon completion of the capital increase, the Company would hold 77.16% of the equity interests in Jiangxi Chuanhe. The equity transaction was completed on 31 December 2024, and the Company included Jiangxi Chuanhe in the scope of consolidation.

**(6) *Significant changes or adjustments in the business, products or services of the Company during the Reporting Period***

Not applicable

**(7) *Situations of major sales customers and major suppliers***

The sales amount of the top five customers was RMB99,569.8592 million, accounted for 19.11% of the total annual sales amount; among the sales amount of the top five customers, the sales amount of related parties was RMB0, accounted for 0% of the total annual sales amount.

Proportion of sales to a single customer exceeding 50% of the total amount, existence of new customers among the top five customers, or heavy reliance on a small number of customers during the Reporting Period

Not applicable



## Management Discussion and Analysis

The purchase amount of the top five suppliers was RMB66,869.0165 million, accounted for 13.31% of the total annual purchase amount; among the purchase amount of the top five suppliers, the purchase amount of related parties was RMB0, accounted for 0% of the total annual purchase amount.

Proportion of purchase from a single supplier exceeding 50% of the total amount, existence of new suppliers among the top five suppliers, or heavy reliance on a small number of suppliers during the Reporting Period

Not applicable

Other explanations

Nil

### (8) Gearing Ratio

As at 31 December 2024, the gearing ratio of the Group was 54.54%. The gearing ratio was calculated based on the difference between total assets and total liabilities.

### 3. Expenses

Unit: Yuan Currency: RMB

Item	For the period	For the corresponding period of last year	Increase/ (decrease) as compared with the corresponding period of last year (%)
Selling expenses	411,396,728	358,092,070	14.89
Administrative expenses	2,855,813,493	2,558,698,737	11.61
Financial expenses	791,067,041	384,112,805	105.95

# Management Discussion and Analysis

## 4. Research and development (“R&D”) investment

### (1) Situations of R&D investment

Unit: 100 million Yuan Currency: RMB

Expensed R&D investment for the period	55.21
Capitalised R&D investment for the period	4.91
Total R&D investment	60.12
Percentage of the total R&D investment in operating revenue (%)	1.15
Proportion of capitalisation of R&D investment (%)	8.17

### (2) Situations of R&D personnel

Number of R&D personnel in the Company	2,234
Percentage of R&D personnel in the total number of employees of the Company (%)	8.47

Education level of R&D personnel	
Education level category	Number of staff
Doctorate	260
Postgraduate	392
Undergraduate	1,099
Junior college	388
High school and below	95

Age structure of R&D personnel	
Age structure category	Number of staff
Below 30 years old (excluding 30 years old)	688
30-40 years old (including 30 years old and excluding 40 years old)	718
40-50 years old (including 40 years old and excluding 50 years old)	425
50-60 years old (including 50 years old and excluding 60 years old)	386
60 years old and above	17

### (3) Explanation

Not applicable

## Management Discussion and Analysis

**(4) Reasons for major changes in the composition of R&D personnel and the impact on the future development of the Company**

Not applicable

**5. Cash Flow**

Unit: Yuan Currency: RMB

Item	For the year	For the corresponding period of last year	Changes (%)
Net cash flow from operating activities	<b>2,507,849,798</b>	10,931,174,473	-77.06
Net cash flow from investing activities	<b>-12,303,078,917</b>	-8,228,217,645	49.52
Net cash flow from financing activities	<b>5,732,637,522</b>	1,932,729,185	196.61

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

Not applicable

# Management Discussion and Analysis

## (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
Derivative financial assets	1,036,680,955	0.54	200,583,645	0.12	416.83	Note 1
Bills receivables	114,608,744	0.06	438,775,886	0.26	-73.88	Note 2
Trade receivables	6,233,407,692	3.23	3,971,108,921	2.36	56.97	Note 3
Factoring receivables	124,142,580	0.06	258,985,619	0.15	-52.07	Note 4
Prepayments	3,840,324,170	1.99	946,805,634	0.56	305.61	Note 5
Non-current assets due within one year	5,552,057,856	2.87	3,515,717,942	2.09	57.92	Note 6
Other current assets	9,623,875,384	4.98	3,022,849,613	1.80	218.37	Note 7
Other debt investments	134,600,330	0.07	0	0.00	100.00	Note 8
Long-term equity investments	19,486,510,844	10.09	4,807,835,680	2.86	305.31	Note 9
Other equity instrument investments	62,506,699	0.03	7,526,703,787	4.48	-99.17	Note 10
Deferred income tax assets	945,661,408	0.49	724,712,649	0.43	30.49	Note 11
Contract liabilities	4,273,710,629	2.21	1,397,394,903	0.83	205.83	Note 12
Non-current liabilities due within one year	5,711,763,044	2.96	2,200,956,948	1.31	159.51	Note 13
Other current liabilities	10,396,169,647	5.38	6,279,280,660	3.73	65.56	Note 14
Bonds payable	3,216,242,202	1.67	5,049,838,236	3.00	-36.31	Note 15
Lease liabilities	203,687,874	0.11	368,758,629	0.22	-44.76	Note 16
Long-term payables	586,862,510	0.30	974,920,429	0.58	-39.80	Note 17

Note 1: As at the end of the Reporting Period, the derivative financial assets of the Group amounted to RMB1,036.68 million, representing an increase of RMB836.10 million (or 416.83%) as compared with the end of the period of last year, mainly attributable to the floating profit of the Group's futures business;

Note 2: As at the end of the Reporting Period, the bills receivables of the Group amounted to RMB114.61 million, representing a decrease of RMB324.17 million (or -73.88%) as compared with the end of the period of last year, mainly attributable to the decrease in bills received by the Group;

## Management Discussion and Analysis

- Note 3:* As at the end of the Reporting Period, the trade receivables of the Group amounted to RMB6,233.41 million, representing an increase of RMB2,262.30 million (or 56.97%) as compared with the end of the period of last year, mainly attributable to the increase in trade receivables arising from the Group's sales which are still within the credit period;
- Note 4:* As at the end of the Reporting Period, the factoring receivables of the Group amounted to RMB124.14 million, representing a decrease of RMB134.84 million (or -52.07%) as compared with the end of the period of last year, mainly attributable to the Group's collection of cash and assets used to offset debts;
- Note 5:* As at the end of the Reporting Period, the prepayments of the Group amounted to RMB3,840.32 million, representing an increase of RMB2,893.52 million (or 305.61%) as compared with the end of the period of last year, mainly attributable to the increase in prepayment of goods by the Group;
- Note 6:* As at the end of the Reporting Period, the non-current assets due within one year of the Group amounted to RMB5,552.06 million, representing an increase of RMB2,036.34 million (or 57.92%) as compared with the end of the period of last year, mainly attributable to the increase in time deposits held by the Group due within one year;
- Note 7:* As at the end of the Reporting Period, other current assets of the Group amounted to RMB9,623.88 million, representing an increase of RMB6,601.03 million (or 218.37%) as compared with the end of the period of last year, mainly attributable to the increase in the Group's purchase of bond reverse repurchase products;
- Note 8:* As at the end of the Reporting Period, other debt investments of the Group amounted to RMB134.60 million, representing an increase of RMB134.60 million (or 100%) as compared to the end of the period of last year, mainly attributable to the increase in the Group's bond investments;
- Note 9:* As at the end of the Reporting Period, the long-term equity investments of the Group amounted to RMB19,486.51 million, representing an increase of RMB14,678.68 million (or 305.31%) as compared with the end of the period of last year, mainly attributable to the Group's conversion of its investments in First Quantum from financial instrument investments to long-term equity investments accounted for using the equity method in accordance with the requirements of the standards;
- Note 10:* As at the end of the Reporting Period, other equity instrument investments of the Group amounted to RMB62.51 million, representing a decrease of RMB7,464.20 million (or -99.17%) as compared with the end of the period of last year, mainly attributable to the Group's conversion of its investments in First Quantum from financial instrument to long-term equity investments accounted for using the equity method in accordance with the requirements of the standards;
- Note 11:* As at the end of the Reporting Period, the deferred income tax assets of the Group amounted to RMB945.66 million, representing an increase of RMB220.95 million (or 30.49%) as compared with the end of the period of last year, mainly attributable to the increase in deductible temporary differences arising from the provision for impairment on assets made by the Group;



# Management Discussion and Analysis

*Note 12:* As at the end of the Reporting Period, the contract liabilities of the Group amounted to RMB4,273.71 million, representing an increase of RMB2,876.32 million (or 205.83%) as compared with the end of the period of last year, mainly attributable to the increase in prepayments received by the Group;

*Note 13:* As at the end of the Reporting Period, the non-current liabilities due within one year of the Group amounted to RMB5,711.76 million, representing an increase of RMB3,510.81 million (or 159.51%) as compared with the end of the period of last year, mainly attributable to the increase in long-term borrowings and bonds payable due within one year;

*Note 14:* As at the end of the Reporting Period, other current liabilities of the Group amounted to RMB10,396.17 million, representing an increase of RMB4,116.89 million (or 65.56%) as compared with the end of the period of last year, mainly attributable to the increase in short-term deposits from related parties of the Group's subsidiary, JCC Finance Company Limited;

*Note 15:* As at the end of the Reporting Period, the bonds payable of the Group amounted to RMB3,216.24 million, representing a decrease of RMB1,833.60 million (or -36.31%) as compared with the end of the period of last year, mainly attributable to the reclassification of bonds payable due within one year held by the Group to non-current liabilities due within one year;

*Note 16:* As at the end of the Reporting Period, the lease liabilities of the Group amounted to RMB203.69 million, representing a decrease of RMB165.07 million (or -44.76%) as compared with the end of the period of last year, mainly attributable to the payment of lease payments by the Group;

*Note 17:* As at the end of the Reporting Period, the long-term payables of the Group amounted to RMB586.86 million, representing a decrease of RMB388.06 million (or -39.80%) as compared with the end of the period of last year, mainly attributable to the increase in the payment of long-term payables by the Group.

## 2. Overseas assets

### (i) Asset size

Including: overseas assets of 3,361,433.09 (Unit: 0'000 Yuan, Currency: RMB) accounting for 17.41% of the total assets.

### (ii) Explanation on the relatively high proportion of overseas assets

Not applicable

# Management Discussion and Analysis

## 3. Restrictions on major assets as at the end of the Reporting Period

Unit: Yuan Currency: RMB

Item	Book value as at the end of the period	Reasons for the restriction
Cash and bank	14,872,923,816	They were the time deposits of the Group for the application of issuance of letters of credit, bank guarantees and security deposits deposited by bank acceptance notes, the required statutory reserve deposited with the People's Bank of China, environment rehabilitation deposits, forward foreign exchange contract deposits, pledges to secure short-term and long-term borrowings and frozen bank deposits and interest receivables.
Held-for-trading financial assets	3,514,306,027	The Group used wealth management products to issue letters of credit and as security for bank acceptance notes.
Bills receivable	52,484,025	Short-term bank loans were obtained using bank acceptance notes with book values of RMB52,484,025 as collateral.
Other receivables	2,169,697,654	Futures deposits.
Inventories	298,209,764	Inventories with book values of RMB110,687,974 were used as futures deposits; inventories with book values of RMB9,506,490 were compulsorily preserved by the court due to litigation; the ownership of the Group's inventories stored in a storage company is restricted due to reasons such as the the involvement of the third-party storage company in litigation, with book values of RMB178,015,300.
Non-current assets due within one year	1,968,074,119	The Group obtained long-term borrowings, issued bank acceptance notes and letters of credit and received interest receivables corresponding to restricted time deposits by pledging bank time deposits.
Investment properties	145,865,810	Compulsorily preserved by the court due to litigation.
Fixed assets	152,408,214	A short-term bank loan of RMB98,000,000 was obtained using buildings with book values of RMB46,966,983 and land use rights with book values of RMB59,950,984 as collateral. Buildings and office equipment with book values of RMB105,441,231 were compulsorily preserved by the court due to litigation.
Intangible assets	77,864,980	The Group obtained short-term borrowings and long-term bank borrowings using land use rights as collateral.

## 4. Other explanations

Not applicable

# Management Discussion and Analysis

## (IV) Analysis of industry business information

Please refer to “INDUSTRY OF THE COMPANY DURING THE REPORTING PERIOD” section in “Management Discussion and Analysis” for further details.

### Analysis on business information on non-ferrous metal industry

#### 1. Cost of ore raw materials

Unit: 0'000 Yuan    Currency: RMB

Type and source of ore raw materials	Total cost of raw materials	Percentage (%)	Increase or decrease of the total cost of raw materials compared with last year (%)
Self-owned mines	577,836.28	20.97	-1.14
Domestic procurement	324,079.02	11.76	1.08
Overseas procurement	1,853,984.37	67.27	3.98
Total	2,755,899.67	/	2.52

# Management Discussion and Analysis

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

Name of mine	Major products	Resources	Reserves	Grade	Annual production volume	Remaining years for mining of the resources	Validity period of permits/ mining rights
Dexing Copper Mine	Main mineral copper (industrial copper ore)	27,117.1 (ten thousand t)/127.9 (ten thousand t)	19,628 (ten thousand t)/93.68 (ten thousand t)	0.47%	Copper: 15.4766 ten thousand t; Gold: 3,686 kg; Silver: 32,236 kg.	21	29 July 2000 to 29 July 2027
	Main mineral copper (low grade copper ore)	57,896.6 (ten thousand t)/146.33 (ten thousand t)	–	0.25%			
	Associated gold (industrial copper ore)	26,205 (ten thousand t)/42.93 (t)	–	0.164g/t			
	Associated silver (industrial copper ore)	26,544 (ten thousand t)/348 (t)	–	1.13g/t			
	Associated molybdenum (industrial copper ore)	20,396 (ten thousand t)/2.43 (ten thousand t)	–	0.012%			
Fujiawu mining area of Dexing Copper Mine	Main mineral copper (copper ore)	31,371.9 (ten thousand t)/147.07 (ten thousand t)	23,181.5 (ten thousand t)/115.24 (ten thousand t)	0.47%		21	10 October 2020 to 10 October 2050
	Associated silver (copper ore)	31,371.9 (ten thousand t)/916.61 (t)	–	2.92g/t			
	Associated molybdenum (copper and molybdenum ore)	31,371.9 (ten thousand t)/9.95 (ten thousand t)	–	0.032%			
Yongping Copper Mine	Main mineral copper	6,497.735 (ten thousand t)/38.13 (ten thousand t)	2,478.23 (ten thousand t)/15.50 (ten thousand t)	0.63%	Copper: 6,620 t; Gold: 16 kg; Silver: 6,034 kg.	21	21 November 2024 to 21 November 2036
	Associated gold	6,376.86 (ten thousand t)/7.49 (t)	–	0.117g/t			
	Associated silver	856.44 (t)/6,735.1 (ten thousand t)	–	13.43g/t			

## Management Discussion and Analysis

Name of mine	Major products	Resources	Reserves	Grade	Annual production volume	Remaining years for mining of the resources	Validity period of permits/ mining rights
Yinshan Mining	Main mineral copper	15,281.2 (ten thousand t)/91.32 (ten thousand t)	6,261 (ten thousand t)/41.48 (ten thousand t)	0.598%	Copper: 13,609 t; Gold: 1,317 kg; Silver: 10,785 kg.	45	16 June 2020 to 31 December 2026
	Associated gold	16,293.7 (ten thousand t)/109.47 (t)	6,710.6 (ten thousand t)/46.32 (t)	0.672g/t			
	Associated silver	16,293.7 (ten thousand t)/1,435.68 (t)	6,710.5 (ten thousand t)/676.63 (t)	8.81g/t			
Wushan Copper Mine	Main mineral copper	11,407.636 (ten thousand t)/125.66 (ten thousand t)	6,837.62 (ten thousand t)/79.16 (ten thousand t)	1.10%	Copper: 12,213 t; Gold: 146 kg; Silver: 7,445 kg.	30	16 June 2020 to 31 December 2026
	Associated gold	10,572.75 (ten thousand t)/18.53 (t)	–	0.175g/t			
	Associated silver	10,625.55 (ten thousand t)/1,152 (t)	–	10.84g/t			
Chengmenshan Copper Mine	Main mineral copper	24,838.72 (ten thousand t)/175.77 (ten thousand t)	11,422.93 (ten thousand t)/96.20 (ten thousand t)	0.71%	Copper: 12,508 t; Gold: 135 kg; Silver: 11,030 kg.	17	22 November 2017 to 22 November 2034
	Associated gold	20,247.7 (ten thousand t)/53.20 (t)	–	0.263g/t			
	Associated silver	21,290.34 (ten thousand t)/2,551.17 (t)	–	11.98g/t			



# Management Discussion and Analysis

## 3. Production capacity

Company type	Product	Company name	Production capacity by design	Actual production capacity	Capacity under construction	Production volume	Capacity utilisation rate (%)	Comprehensive utilisation rate of mineral resources (%)
Mine	Copper contained in copper concentrates (ten thousand t)	Dexing Copper Mine	14.24	–	–	15.48	108.71	
		Yongping Copper Mine	0.76	–	–	0.66	85.84	
		Wushan Copper Mine	1	–	–	1.22	122	
		Chengmenshan Copper Mine	1.62	–	–	1.25	77.16	
		JCC Yinshan Mining Company Limited	1.98	–	–	1.36	68.69	
Smelting	Copper cathode (ten thousand t)	Guixi Smelter	93	–	–	101.25	108.87	–
		Jiangxi Copper (Qingyuan) Company Limited	20	–	–	20.99	104.95	–
		Zhejiang Jiangtong Fuye Heding Copper Co., Ltd.	47	–	–	52.65	112.02	–
		Shandong Humon Smelting Co., Ltd.	25	–	–	19.73	78.92	–
		JCC Hongyuan Copper Industry Co., Ltd.	10	–	–	12.67	126.70	–
		JCC Guoxing (Yantai) Copper Company Limited	18	–	–	21.9	121.67	–
		Guixi Smelter	25	–	–	19.77	79.08	–
	Gold (t)	Shandong Humon Smelting Co., Ltd.	98.33	–	–	94.88	96.49	–
		JCC Guoxing (Yantai) Copper Company Limited	1.86	–	–	3.62	194.62	–
		Guixi Smelter	510	–	–	315.92	61.95	–
	Silver (t)	Shandong Humon Smelting Co., Ltd.	1,000	–	–	825.73	82.57	–
		JCC Guoxing (Yantai) Copper Company Limited	91.43	–	–	72.54	79.34	–

## Management Discussion and Analysis

Company type	Product	Company name	Production capacity by design	Actual production capacity	Capacity under construction	Production volume	Capacity utilisation	Comprehensive utilisation rate of mineral resources
							rate (%)	(%)
Processing	Sulphuric acid (ten thousand t)	Guixi Smelter	185	–	–	194.55	105.16	–
		Jiangxi Copper Dexion Chemical Company Limited	50	–	–	42.56	85.12	–
	Copper processing (ten thousand t)	Jiangxi Jiangtong-Wengfu Chemical Engineering Company Limited	40	–	–	38.56	96.40	–
		Shandong Humon Smelting Co., Ltd.	130	–	–	110.17	84.75	–
		Zhejiang Jiangtong Fuye Heding Copper Co., Ltd.	130	–	–	132.16	101.66	–
		JCC Guoxing (Yantai) Copper Company Limited	85.5	–	–	86.13	100.74	–
		Jiangxi JCC Copper Foil Technology Company Limited	5	–	–	3.94	61.97	–
		Jiangxi Copper Products Company Limited	37	–	–	32.41	87.59	–
		JCC Copper Products Company Limited	4.2	–	–	6.62	158.64	–
		Jiangxi Copper (Guangzhou) Copper Production Company Limited	75	–	–	64.92	86.56	–
		Jiangxi Copper-Taiyi Special Electrical Materials Company Limited	4	–	–	3.14	78.57	–
		Jiangxi Copper Longchang Precise Copper Pipe Company Limited	7.6	–	–	5.28	69.47	–
		Jiangxi Copper North China (Tianjin) Copper Co., Ltd.	44	–	–	39.71	90.25	–
		TPCO Copper Industry Corp., Ltd.	36	–	–	15.03	41.75	–
		Jiangxi JCC Huadong Electric New Materials Technology Co., Ltd.	5	–	–	1.37	27.32	–
		Jiangxi Copper Huadong Copper Materials Co., Ltd.	22	–	–	16.82	76.45	–

# Management Discussion and Analysis

## (V) Analysis of investment

### General analysis of external investment in equity

Unit: 0'000 Yuan Currency: RMB

Investment during the Reporting Period	317,150.01
Investment during the corresponding period of last year	82,498
Extent of year-on-year increase/decrease (%)	284.43

No.	Name of investee	Principal operating activity	Share of interests in the investee (%)	Investment amount
1	Jiangxi JCC Environmental Resources Technology Co., Ltd. (江西江銅環境資源科技有限公司)	General projects: recycling of renewable resources (except for productive scrap metals), solid waste treatment, renewable resource processing, sales of non-metallic mines and products, processing and treatment of metal wastes and debris, processing and treatment of non-metallic wastes and debris, treatment and recycling of sewage, soil pollution treatment and restoration services, technical services, technical development, technical consultation, technology exchange, technology transfer, technology promotion, landscaping construction works (except for permitted businesses, projects which are not prohibited nor restricted by laws and regulations may be carried out independently in accordance with the laws)	100	7,825
2	Jiangxi Tongxin Inspection and Testing Co., Ltd.(江西銅信檢驗檢測有限公司)	Permitted projects: inspection and testing services, occupational health technical services (for projects subject to approval in accordance with the laws, business activities can only be carried out upon approval from relevant authorities, specific business projects shall be subject to the approval documents or licences from relevant authorities) General projects: environmental protection monitoring, environmental protection consulting services, information consulting services (excluding permitted information consulting services) (except for permitted businesses, projects which are not prohibited nor restricted by laws and regulations may be carried out independently in accordance with the laws)	100	1,627.63

## Management Discussion and Analysis

No.	Name of investee	Principal operating activity	Share of interests in the investee (%)	Investment amount
3	Jiangxi JCC Huadong Electric New Materials Technology Co., Ltd. (江西江銅華東電工新材料科技有限公司)	General projects: manufacturing of electrical equipment, sales of electrical equipment, manufacturing of specialised equipment for electrical machinery, technical services, technical development, technical consulting, technology exchange, technology transfer, technology promotion (except for projects subject to approval in accordance with the laws, business activities may be carried out independently with a business licence in accordance with the laws)	70	9,380
4	JCC Hongyuan Copper Industry Co., Ltd. (江銅宏源銅業有限公司)	Permitted projects: technology import and export (for projects subject to approval in accordance with the laws, business activities can only be carried out upon approval from relevant authorities) General projects: non-ferrous metal pressing and processing, metal material manufacturing, commonly used non-ferrous metal smelting, precious metal smelting (except for permitted businesses, projects which are not prohibited nor restricted by laws and regulations may be carried out independently in accordance with the laws)	68	3,805.26
5	Jiangxi Copper Longchang Precise Copper Pipe Company Limited (江西江銅龍昌精密銅管有限公司)	Permitted projects: road freight transportation (excluding dangerous goods) (for projects subject to approval in accordance with the laws, business activities can only be carried out upon approval from relevant authorities, specific business projects shall be subject to the approval documents or licenses from relevant authorities) General projects: non-ferrous metal pressing and processing, metal material sales, metal material manufacturing, import and export of goods, technical services, technical development, technical consulting, technology exchange, technology transfer, technology promotion (except for projects subject to approval in accordance with the laws, business activities may be carried out independently with business license in accordance with the laws)	100	2,700

## Management Discussion and Analysis

No.	Name of investee	Principal operating activity	Share of interests in the investee (%)	Investment amount
6	Jiangxi JCC Huadong Copper Foil Co., Ltd. (江西江銅華東銅箔有限公司)	General projects: production and sales of electrolytic copper foil products; after-sales service of products and related technical consulting services and business; research and development of new products (except for permitted businesses, projects which are not prohibited nor restricted by laws and regulations may be carried out independently in accordance with the laws)	49	98,965.10
7	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 material technology research and development, non-ferrous metal alloy manufacturing, non-ferrous metal alloy sales, metal material manufacturing, high performance non-ferrous metal and alloy material sales, basic chemical raw material manufacturing (excluding manufacturing of licensed chemicals such as hazardous chemicals), chemical product sales (excluding licensed chemical products), graphite and carbon product manufacturing, graphite and carbon product sales, coating manufacturing (excluding hazardous chemicals), coating sales (excluding hazardous chemicals), special chemical product manufacturing (excluding hazardous chemicals), special chemical product sales (excluding hazardous chemicals), software development, software sales, mechanical equipment research and development, metallurgical special equipment manufacturing, mining machinery manufacturing. sales of mechanical equipment (except for permitted businesses, projects which are not prohibited nor restricted by laws and regulations may be carried out independently in accordance with the laws)	100	8,000

## Management Discussion and Analysis

No.	Name of investee	Principal operating activity	Share of interests in the investee (%)	Investment amount
8	JCC Yinshan Mining Company Limited (江西銅業集團銀山礦業有限責任公司)	Production and sales of non-ferrous metals, precious metals, non-metallic mineral products and extended products (excluding products prohibited from foreign investment); production and sales of building materials; production and sales of relevant process equipment and spare parts; contracting of construction projects; trade in copper, lead, zinc, sulphur mineral products and related ancillary mineral products (the import and export of the above commodities do not involve the commodities subject to the special regulations of state-owned trade, import and export quota licence, export quota bidding, export licence, etc.) road ordinary freight transportation; mining technology development, consultation, exchange, transfer and promotion services; leasing of houses, machinery and equipment; sales of mining materials. (for projects subject to approval in accordance with the laws, business activities can only be carried out upon approval from relevant authorities)	100	12,600
9	Jiangxi Chuanhe New Materials Co., Ltd. (江西川禾新材料有限公司)	General projects: research and development of new material technology, manufacturing of optoelectronic devices, sales of optoelectronic devices, manufacturing of electronic special materials, sales of electronic special materials (except for projects subject to approval in accordance with the laws, business activities may be carried out independently with a business licence in accordance with the laws)	77.16	20,000



## Management Discussion and Analysis

No.	Name of investee	Principal operating activity	Share of interests in the investee (%)	Investment amount
10	Jiangxi Advanced Copper Functional Materials Technology Co., Ltd. (江西先進銅功能材料科技有限公司)	General projects: new material technology promotion services, energy conservation management services, research and development of emerging energy technologies, environmental protection consulting services, intellectual property services (excluding patent agency services), science and technology intermediary services, technical services, technical development, technical consulting, technology exchange, technology transfer, technology promotion, sales of specialised chemical products (excluding hazardous chemicals), sales of non-ferrous alloys, non-ferrous metal alloy manufacturing, non-ferrous metal pressing and processing, industrial Internet data services, digital technology services, software development, manufacturing of experimental analysis instruments, sales of experimental analysis instruments, processing of non-metallic waste and debris, processing of metal waste and debris, leasing of machinery and equipment, research and experimental development of natural sciences, research and development of new material technology, research and experimental development of engineering and technology (except for projects subject to approval in accordance with the laws, business activities may be carried out independently with a business licence in accordance with the laws)	20	800
11	First Quantum Minerals Ltd. (第一量子礦業公司)	Copper and associated metal resources development	18.47	151,447.02

*Note:* In 2024, the Company increased its shareholding in First Quantum with an additional investment amount of RMB1,514.7702 million. Since 22 October 2024, the Company's investment in First Quantum was converted from financial instrument investments to long-term equity investments accounted for using the equity method. As at 31 December 2024, the book values of the Company's long-term equity investments in First Quantum amounted to RMB15,294.0898 million.

## Management Discussion and Analysis

**(1) Significant equity interest investment**

Not applicable

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

Not applicable

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

Not applicable

Securities Investments

Not applicable

Investments in Private Equity

Not applicable

Derivative investments

*(1) Derivative Investments for hedging purposes during the Reporting Period*

Not applicable

*(2) Derivative Investments for speculative purposes during the Reporting Period*

Not applicable

Other explanations

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. Major raw materials and products, including copper, gold and silver, are important trading varieties in the international non-ferrous metal market and have their own pricing mechanisms in the international market. Due to the scarcity of resources of copper, gold and silver metals, the prices of copper, gold and silver metals are highly volatile, as they are affected by various factors, including global economy, the relationship between supply and demand, market expectations and speculations. Further, the purchase and sales pricing have a mismatch in supply-demand structure, cycle, pricing methods and pricing period, and the metal and mineral products market may experience significant fluctuations in the short term; therefore, the Group is subject to commodity price risks.

## Management Discussion and Analysis

The Group hedges against the price fluctuation risks by matching the purchase and sales pricing, and adopts commodity futures contracts, T+D contracts, option contracts, provisional pricing arrangements and other derivative instruments based on the purchase and sales pricing to mitigate the exposure to the commodity price risks, fully leveraging the high correlation of the spot market and the futures market and reducing the impact of commodity price fluctuations on the Group's production and operation. The Group develops a strict hedging plan and an internal control system, under which hedging activities only aim to mitigate the commodity price fluctuation risks and prohibit any speculation, so as to ensure long-term and robust development of the Group.

For the said derivative investments including commodity futures contracts, T+D contracts, option contracts and provisional pricing arrangements that comply with the accounting requirements of Accounting Standards for Business Enterprises No. 24 – Hedging, the Group adopts the corresponding accounting treatment in accordance with the relevant hedging accounting requirements and provides disclosure in Note 26 of the consolidated financial statements. For other hedging transactions for which the Group has not applied the hedging accounting standards, profit or losses from changes in the fair value of derivatives involved are recognised at the end of each period and transferred to investment profit/losses when the positions are closed. The amount of the said profit/losses from changes in the fair value or investment profit/losses is affected by the quantity of relevant commodities, the quantity of derivative contracts and the relevant price fluctuations. The Group's hedging transactions for which the hedging accounting standards have not been applied and their financial effects are disclosed in Notes 8 and 26 of the Group's consolidated financial statements.

**(4) *Specific progress of significant asset restructuring and integration during the Reporting Period***

Not applicable

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

Not applicable

## Management Discussion and Analysis

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

#### (1) Production and operation of the principal controlled subsidiaries of the Company as at 31 December 2024

Unit: 0'000 Yuan Currency: RMB

Company name	Business nature	Registered capital	Shareholding percentage (%)	Total assets	Net assets	Operating revenue	Net profits
Shandong Humon Smelting Co., Ltd. (山東恒邦冶煉股份有限公司)	Exploration, mining, dressing, smelting and chemical production of gold	114,803	44.48	2,472,409	973,477	7,580,075	51,789
JCC Finance Company Limited (江西銅業集團財務有限公司)	Provision of guarantee, deposit taking from and provision of loans to member units	260,000	100.00	2,825,146	443,721	57,432	37,196
JCC Yinshan Mining Company Limited (江銅集團銀山礦業有限責任公司)	Production and sales of non-ferrous metals, rare and precious metals and non-metals	73,400	100.00	361,288	233,475	178,280	29,028
Jiangxi Copper International Trade Company Limited (江銅國際貿易有限公司)	Trading of metal products	101,609	59.05	533,108	3,633	6,442,296	-13,848
Zhejiang Jiangtong Fuye Heding Copper Co., Ltd. (浙江江銅富冶和鼎銅業有限公司)	Production and sales of copper cathode	128,000	40.00	1,069,662	373,432	4,207,780	52,834
Jiangxi Copper North China (Tianjin) Copper Co., Ltd. (江銅華北(天津)銅業有限公司)	Production of copper rods/wires and related products	64,020	51.00	295,518	70,547	2,736,062	2,395
Jiangxi Copper (Hong Kong) Investment Company Limited (江西銅業(香港)投資有限公司)	Project investment, fund investment, investment management, investment consultation and economic information consultation	724,442	100.00	1,118,869	664,685	0	-33,756
Jiangxi Copper (Shenzhen) International Investment Holding Co., Ltd. (江西銅業(深圳)國際投資控股有限公司)	Sales of copper cathode, anode plates and non-ferrous metals	166,200	100.00	1,401,110	228,094	13,240,191	24,035

## Management Discussion and Analysis

### (2) Production and operation of the associates and joint ventures of the Company as at 31 December 2024

Investee	Business nature	Registered capital		Our shareholding percentage	Total assets as at the end of year	Total liabilities as at the end of year	Total net assets as at the end of year	Total operating revenue for the year	Net profits for the year
		Currency	(0'000)	(%)	(0'000)	(0'000)	(0'000)	(0'000)	(0'000)
I. Associates									
Minmetals Jiangxi Copper Mining Investment Company Limited (五礦江銅礦業投資有限公司)	Investment company	RMB	60,655	40	269,424	10,196	259,228	0.00	-183,889
First Quantum Minerals Ltd. (第一量子礦業公司)	Mining company	USD	654,900	18.47	2,410,700	1,220,500	1,190,200	480,200	-10,800

### (VIII) Structured entities under the control of the Company

Not applicable

# Management Discussion and Analysis

## IV. DISCUSSION AND ANALYSIS BY THE COMPANY CONCERNING THE FUTURE DEVELOPMENT OF THE COMPANY

### (I) Landscape and trend of industry

1. In terms of supply pattern, with the resource monopolies continuing, incremental release is still constrained. The global monopolistic competition patterns with regard to copper mine resources will not change in the short term. The incremental increase in copper concentrates is more concentrated in South America and Africa, but the incremental release is slow. The production in South American countries including Chile and Peru is usually affected by domestic policy adjustments, community relations and other issues. Factors such as weak infrastructure, political instability and complicated local community relations in Africa has a relatively great impact on copper mine development. In general, the growth in global copper concentrate supply will be limited in 2025, and the tight supply pattern will dominate the medium-term trend of copper prices. At the same time, due to the continuous growth in domestic copper smelting capacity, the supply-demand gap will further widen, The decline in copper smelting and processing fees TC/RC has put smelters under cost pressure in raw material procurement, and their profit margins have been compressed. In 2025, some smelters may adjust their production plans to cope with cost pressures. In extreme cases, some small smelters may face production difficulties, and the industry integration trend may intensify.
2. In terms of demand pattern, there is an overall structural change. In emerging fields, the demand for new energy, energy storage and artificial intelligence is growing rapidly. In traditional fields, the construction start rate of new residential buildings remains low, affecting copper consumption demand related to real estate building materials. In 2025, demand in emerging fields will still be focused on energy storage, new energy, photovoltaic and other areas, but the growth rate of new energy and photovoltaic may slow down marginally. Differentiation in demand continues in traditional fields. In 2025, electricity investment and household appliance subsidies are expected to support demand resilience. The real estate market is unlikely to drive a substantial recovery in copper consumption demand in the short term.



## Management Discussion and Analysis

3. In terms of copper prices, the supply and demand game will dominate the price fluctuation trend in 2025. From the supply side, copper concentrate supply will be tight, and demand in emerging fields will be relatively better. Although there will be differentiation in traditional fields, demand in the electricity industry will be stable. Under such supply and demand structure, if projects in incremental regions such as South America and Africa progress smoothly, the increase in supply may alleviate price increases. Conversely, if there are supply disruptions, demand growth will propel copper prices upwards. In addition, from a macro perspective, the focus will mainly be on US policies at the international level, The high tariffs and changes in immigration policies may push inflation levels higher, with expectations for interest rate cuts decreased. Domestically, the macro environment is more positive. As more proactive monetary and fiscal policies are being implemented to hedge the impact of declining external demand, and policy-led external demand has gradually shifted to domestic demand. In general, it is expected that in 2025, copper prices will remain strong and volatile, with the main fluctuation range for Shanghai copper being RMB73,000-83,000 per tonne, and the fluctuation range for LME copper price being US\$8,800-10,500 per tonne.
4. In terms of industry policies and competitive patterns, policies are expected to drive high-quality development of the industry. In 2024, the Ministry of Industry and Information Technology and ten other departments jointly issued the Implementation Plan for High-Quality Development of the Copper Industry (2025–2027) (《銅產業高質量發展實施方案（2025–2027年）》). The overall plan requires improving the ability to ensure copper raw materials, standardising the industrial development order, strengthening upstream and downstream coordination and promoting the high-end, green and intelligent transformation of the industry, which points out the direction for the development of the industry in 2025 and the next few years. Meanwhile, industry competition intensifies, and differentiation continues. Large copper enterprises have further consolidated their advantageous positions in the market benefiting by relying on their resource advantages, technological capabilities and brand influence. In order to survive and develop, small and medium-sized copper enterprises conduct in-depth exploration in segmented markets and special product areas, and acquire market share through differentiated competition. However, the industry as a whole is facing overcapacity and intense market competition. The operating pressure for companies with weaker competitiveness will continue to increase, and industry differentiation will further intensify.

# Management Discussion and Analysis

## (II) Development strategy of the Company

The Group adheres to the development strategy of “copper-based, transformation and upgrading, diversified development and mutual promotion”, upholds the new development concept of innovation, coordination, green, openness and sharing, focuses on the main business and high-quality development, persists in innovation-led and talent-driven development, and through the joint efforts of all cadres and employees of the Company and through continuous efforts over a period of time comprehensively builds a world-class enterprise with global core competitiveness, and become a modern, beautiful and brand new JCC.

## (III) Business plan

Taking into account the current international and domestic macroeconomic situation, the Company's production and operation environment and development situation, and the actual completion of production and operation in 2024, through repeated discussions and adhering to the principles of seeking truth from facts and being proactive, the Company's production and operation plan for 2025 has been determined as follows: production of 200,000 tonnes of copper concentrate, 2.37 million tonnes of copper cathode, 139 tonnes of gold, 1,243 tonnes of silver, 6.53 million tonnes of sulphuric acid and 2.01 million tonnes of copper processing materials. The annual investment plan (including fixed assets investment and equity investment) is RMB12.814 billion. (This operation target does not represent the Company's forecast for production in 2025. Whether it can be achieved depends on various factors such as the macroeconomic environment and market demand conditions, and there is great uncertainty. The Group will adjust the production and operation plan in a timely manner according to market changes.)

## Management Discussion and Analysis

The specific business strategies for 2025 is as follows:

1. Accelerating the construction of a modern industrial system with advanced manufacturing as the backbone. Firstly, the Company will firmly increase its increment of resources, accelerate the pace of “going global” and continue to exert efforts in overseas resource acquisition. The Company will tap into internal potential, further carry out mine boundary exploration and resource investigation in mines under production, further expand the resource reserves of the owned mine and consolidate the resource foundation for stable and sustainable production. Secondly, the Company will expand the real industry, implement a new round of technological transformation and upgrading of traditional industries and accelerate the realisation of process audits, equipment upgrades and product iteration. Thirdly, the Company will unswervingly promote green development, firmly establish the concept of “lucid waters and lush mountains are invaluable assets”, unswervingly promote the green and low-carbon development of the industrial chain, make good use of special financial subsidies for large-scale equipment upgrades and technological transformation projects and preferential tax policies, and jointly promote carbon reduction, pollution reduction, green expansion and growth.
2. With the goal of improving capital operation efficiency, reducing capital costs and preventing and controlling capital risks, and guided by serving the strategy, supporting the business and creating value, the Company will build a treasury system that matches the world’s leading companies. The Company will improve the comprehensive budget management, strengthen budget execution analysis and effectively exert the effectiveness of cost control and assessment and evaluation. The Company will promote the in-depth organisational reforms of itself and its affiliated units, reasonably reduce management levels, optimise human resource allocation and further improve labour productivity for all employees.
3. The Company will further create a good innovation ecology, fully utilising the national support and encouragement policies for technological innovation management and talent evaluation, optimise talent training models and improve the quality of talent training to attract, retain and utilise various talents. A collaborative, shared and win-win operation mechanism will be formed among various innovation entities to ensure that the direction of innovation activities is correct, the carriers are diverse and the benefits are significant, truly creating a good atmosphere of respecting innovation, talents and value creation.

## Management Discussion and Analysis

4. The Company will accelerate the digital transformation, improve production efficiency, product quality and innovation capabilities and reshape new competitive advantages. Demonstration enterprises in digital transformation such as Dexing Copper Mine, Guixi Smelter and Chengmenshan Copper Mine will further play a leading and driving role, to carry out in-depth transformation such as digital mining, intelligent smelting and industrial Internet applications, export more replicable and promotable experience and models and form a batch of national leading and excellent intelligent mines and factories.
5. The Company will continue to improve the risk prevention and control system and build a “cornerstone” for the Company’s high-quality development. The relevant functional departments and offices of the Company will perform their functions of risk prevention and control, process supervision and accountability, continuously improve the system and optimise the risk control model, implement risk management work and exert the important basic effectiveness of internal control on risk prevention. The Company will firmly establish the concept of “safety and environmental protection is the greatest benefit, and potential dangers are the greatest losses”, and always put safety and environmental protection work first and take it seriously. The Company will carry out in-depth “on-site management standardisation consolidation and improvement activities” to ensure the dual improvement of safety and environmental protection and quality management through lean management and drive major progress in technical indicators, equipment maintenance, cost reduction and efficiency improvement.

### (IV) 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, the main property of the Company has been insured to reduce related risks and losses.

# Management Discussion and Analysis

## **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 significant 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 as much as possible.

## **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 the international market. Due to the scarcity of resources of copper, gold and silver metals, the prices of copper, gold and silver metals are highly volatile, as they are affected by various factors, including global economy, the relationship between supply and demand, market expectations and speculations. Price fluctuations will affect the earning and operation stability of the Company.

## Management Discussion and Analysis

In order to minimise the impact of product price fluctuations on productions and operations to the greatest extent, the Group intends to take the following measures to protect against risks 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 risks from product price fluctuations; (2) the Group will take the world's leading copper mines and smelting companies as benchmark, and actively adopt new processes and technologies while improving management and operation efficiency, further reducing costs and expenses to resist the risks from product price fluctuations; (3) strengthen financial management level, enhance fund management, and reasonably arrange the raw material procurement 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 the 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; and (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 minimise the adverse impact of changes in the market environment on the operations of the Company to the greatest extent.



## Management Discussion and Analysis

### 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 funds 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. Risks from uncertainties

In the recent years, the Company's resilience in production and operation is being challenged amid the evolution of the global landscape intensified by geopolitical conflicts, profound adjustments in the global energy market, accelerated transformation of the energy structure, uncertain prospects of the monetary policy of the US Federal Reserve, insufficient momentum of recovery of the global economy, and numerous uncertainties to the economic development of the world. The Company will fully analyse both domestic and foreign situations, and refine the production and operation planning.

### (V) Other

Not applicable

## V. DETAILS OF AND REASONS FOR THE ISSUES NOT DISCLOSED BY THE COMPANY IN ACCORDANCE WITH THE STANDARDS DUE TO INAPPLICABILITY OR OTHER SPECIAL REASONS SUCH AS INVOLVEMENT OF STATE OR COMMERCIAL SECRETS

Not applicable

# Corporate Governance Report

## I. INFORMATION ON CORPORATE GOVERNANCE

During the Reporting Period, the Company strictly complied with the Inside Information Disclosure and Internal Control Procedures, and in strict compliance with provisions of the domestic and foreign laws, regulations and regulatory documents including the Company Law of the People's Republic of China (the "**Company Law**"), the Securities Law of the People's Republic of China, Code of Corporate Governance for Listed Companies, and Rules Governing the Listing of Stocks on Shanghai Stock Exchange and the Listing Rules, we continued optimising the corporate governance structure to regulate the operation of the Company, in which the Board, Supervisory Committee and special committees of the Board duly performed their duties.

There was no material difference between the corporate governance of the Company and the laws, administrative regulations and regulations of CSRC in relation to the corporate governance of listed companies.

## II. SPECIFIC MEASURES TAKEN BY THE CONTROLLING SHAREHOLDER AND DE FACTO CONTROLLER OF THE COMPANY TO ENSURE THE INDEPENDENCE OF THE COMPANY IN TERMS OF ASSETS, PERSONNEL, FINANCE, ORGANISATION AND BUSINESS, AS WELL AS THE SOLUTIONS, WORK PROGRESS AND FOLLOW-UP WORK PLANS FOR ENSURING THE COMPANY'S INDEPENDENCE

Not applicable

Circumstances where the controlling shareholder, de facto controller and other units under their control are engaged in the same or similar business as the Company, as well as the impact of peer competition or major changes in peer competition on the Company, the resolution measures that have been taken, the progress of resolution and the follow-up plans for resolution

Not applicable

# Corporate Governance Report

## III. CORPORATE GOVERNANCE CODE

The Company strives to maintain and establish high quality corporate governance.

To the knowledge of the Board, during the Reporting Period, the Company had been in full compliance with all the code provisions under Part 2 of the Corporate Governance Code (the “**Code**”) as contained in Appendix C1 to the Listing Rules, with the exception as disclosed in this Corporate Governance Report and the following deviation:

During the Reporting Period, legal actions which the Directors may face had been covered by the internal control and risk management of the Company. As the Company considered that no additional risk was likely to exist, insurance arrangements in respect of legal actions against the Directors had not been made as required under code provision C.1.8 under the Code.

The followings are the corporate governance practices adopted by the Company:

### (1) Shareholders and general meetings

The Company seeks to ensure that all Shareholders, especially minority Shareholders, are able to enjoy equal status and fully exercise their rights and perform the corresponding obligations effectively. Meanwhile, it seeks to ensure they enjoy the rights to be informed of and participate in the Company's significant events as stipulated under relevant laws and regulations and the Articles.

The procedures for convening, holding of, considering resolutions and voting at the general meetings of the Company are in strict compliance with the relevant regulatory provisions of the places where the Company's shares are listed as well as the requirements of the Articles. All general meetings of the Company are witnessed by the PRC lawyers with the representative from auditors as the scrutineer.

# Corporate Governance Report

## (2) Relationship between the controlling Shareholder and the Company

JCC, being the controlling Shareholder, performs its rights and obligations in accordance with laws. The economic business between the Company and its controlling Shareholder is carried out strictly in accordance with market and commercial principles and follows the approval procedures for connected transactions. The controlling Shareholder has not overridden the power of the general meeting of the Company to interfere directly or indirectly the operating activities of the Company. The Company and its controlling Shareholder are independent from each other in terms of business, assets, organisation, finance and personnel. The Board, the Supervisory Committee and the internal functions of the Company are able to operate independently.

## (3) Directors, Board and senior management

The Board is mainly responsible for devising the Company's overall strategies such as development strategies, management structure, investment and financing, budget, financial control and human resources (including reviewing and monitoring the training and continuous professional development of the Directors and senior management personnel of the Company and formulating, reviewing and monitoring the code of conduct and compliance manual of employees and Directors) and overseeing the operations of the Company. The Board is also responsible for reviewing and monitoring the policies and practices regarding the Company's compliance with laws and regulatory requirements and standardising the operations and disclosures of the Company in accordance with the listing rules or other rules and regulations of places where the shares of the Company are listed and reviewing the financial performance of the Company. In addition, the Board is also responsible for formulating and reviewing the Company's corporate governance policies and practices and reviewing the Company's compliance with the Code and the disclosure in the Corporate Governance Report during the Reporting Period.

Particularly, the chairman of the Company (the "**Chairman**") leads and supervises the operation of the Board and effectively plans Board meetings to ensure that the Board acts in the best interests of the Company. Under the leadership of the Chairman, the Board has adopted sound corporate governance and procedures and taken adequate measures for efficient communication with Shareholders. The Chairman implements the Board's decisions and makes daily management decisions. The powers of the Board and Chairman are set out in the Articles in details.

## Corporate Governance Report

Senior management of the Company comprises the general manager, the deputy general managers, the chief engineer, the chief financial officer, the chief legal officer, secretary to the Board and other management personnel as determined by the Board. The general manager is responsible to the Board for exercising the following powers: presiding over the production, operation and management work of the Company; organising the implementation of the Board's resolutions; organising the implementation of business plan and investment plan of the Company for the year; organising the formulation of plan for the establishment of internal management organisations of the Company; organising the formulation of fundamental management system of the Company; organising and formulating the fundamental rules of the Company; proposing the appointment or removal of the deputy general managers and the chief financial officer of the Company; appointing or removing management personnel other than those who shall be appointed or removed by the Board; and other powers granted by the Articles and the Board.

During the Reporting Period, Mr. Zheng Gaoqing served as the Chairman, and Mr. Zhou Shaobing served as the general manager.

From 1 January 2024 to 23 April 2024, the Board comprised ten Directors, including six executive Directors and four independent non-executive Directors. From 24 April 2024 to 9 July 2024, the Board comprised nine Directors, including five executive Directors and four independent non-executive Directors. From 10 July 2024 to 9 October 2024, the Board comprised ten Directors, including six executive Directors and four independent non-executive Directors. From 10 October 2024 to 27 November 2024, the Board comprised nine Directors, including six executive Directors and three independent non-executive Directors. Since 28 November 2024, the Board comprises eight Directors, including five executive Directors and three independent non-executive Directors.

Five executive Directors (namely Mr. Zheng Gaoqing, Mr. Zhou Shaobing, Mr. Yu Minxin, Mr. Yu Tong (then member) and Mr. Liu Fangyun (then member)) have background of the controlling Shareholder or the de facto controller. Members of the Board have different industrial background and professional knowledge in corporate management, financial accounting, law, mining and metallurgy. For details of the composition and the biographies of the members of the Board, please refer to "Particulars of Directors, Supervisors, senior management and employees" in the chapter of "Report of the Board" of this report.

To the best knowledge and belief of the Directors, there is no relationship among members of the Board, including financial, business, family or other material or relevant relationships.

Pursuant to the provisions of the Articles, the term of office of the Chairman and other Directors (including non-executive Directors) is three years commencing from the date of their appointment or re-election and they are eligible for re-election and re-appointment.

## Corporate Governance Report

The Company has complied with Rule 3.10(1) of the Listing Rules by appointing at least three independent non-executive Directors. One of the independent non-executive Directors, Ms. Lai Dan, possesses appropriate accounting or related financial management expertise, which complies with the requirements of Rule 3.10(2) of the Listing Rules. The three independent non-executive Directors appointed by the Company represent at least one-third of the members of the Board, in compliance with the requirements of Rule 3.10A of the Listing Rules.

The Company nominates the Director candidates in accordance with the Articles and relevant regulatory requirements. Candidates for independent Directors may be nominated by the Board or the Supervisory Committee or by Shareholders individually or collectively holding more than 1% of the issued shares of the Company carrying voting rights. Candidates for non-independent Directors may be nominated by the Board or the controlling Shareholder.

The Board has established the independent audit committee (the audit committee) (the “**Audit Committee**”), the remuneration committee, the nomination committee and the environmental, social and governance development committee (the “**ESG Development Committee**”):

The responsibilities of the Audit Committee mainly cover reviewing and monitoring the quality of financial reporting as well as the accounting policies and affairs of the Company, making recommendations to the Board on the appointment, re-appointment and removal of external auditors, approving the remuneration and terms of appointment of external auditors and dealing with any issue related to the resignation or dismissal of such auditors, considering the appointment of independent auditors and the related coordination, reviewing their related work efficiency and quality, serving as a major representative between the Company and the external auditors for monitoring the relationship between those two parties, reviewing the risk management and internal control system of the Company, discussing the risk management and internal control system with the management to ensure the management’s fulfilment of responsibilities in setting up an effective system, and considering major investigation findings on risk management and internal control matters on its own initiative or as delegated by the Board and the management’s response to these findings.



## Corporate Governance Report

From 1 January 2024 to 5 June 2024, the Audit Committee comprised four independent non-executive Directors, namely Mr. Zhu Xingwen, Mr. Wang Feng, Mr. Liu Xike and Mr. Li Shuidi, of which Mr. Zhu Xingwen was the chairman of the Audit Committee; and from 6 June 2024 to 9 October 2024, the Audit Committee comprised four independent non-executive Directors, namely Ms. Lai Dan, Mr. Wang Feng, Mr. Li Shuidi and Ms. Liu Shuying, of which Ms. Lai Dan was the chairlady of the Audit Committee; since 10 October 2024, the Audit Committee comprises three independent non-executive Directors, namely, Ms. Lai Dan, Mr. Wang Feng and Ms. Liu Shuying, of which Ms. Lai Dan is the chairlady of the Audit Committee. The secretary to the Board is also the secretary to the Audit Committee.

The establishment, improvement and main contents of the relevant work system and performance of duties of the Audit Committee of the Board:

1. The Company had formulated and amended on 13 June 2024 the Terms of Reference of the Independent Audit Committee (the Audit Committee) (《獨立審核委員會(審計委員會)議事規則》), under which the Audit Committee is responsible to the Board and assumes the duties to review the Company's financial reporting, financial control, internal control and risk management systems and oversee the preparation procedures of the Company's financial statements and the completeness of their contents as well as the appointment and removal of the auditors. During the Reporting Period, the Audit Committee listened to the report on material matters such as the production and operation and the construction of risk control system for the year from the Company's chief financial officer, financial management department and legal affairs and risk control department, and made constructive suggestions on the construction of risk control system of the Company.
2. Summary report on performance of duties of the Audit Committee:
  1. We convened four meetings in 2024. Respectively, we reviewed and confirmed the 2023 annual report audited by Ernst & Young Hua Ming LLP and issued written opinions on the connected transactions, fund appropriation and external guarantees of the Company, reviewed and approved the assessment report on the performance of the accounting firm's duties and the report on the performance of the Audit Committee's supervisory responsibilities for the year 2023, made recommendations for the appointment of auditors, reviewed and confirmed the 2024 first quarterly report reviewed by Ernst & Young Hua Ming LLP, reviewed and confirmed the 2024 interim report reviewed by Ernst & Young Hua Ming LLP and were briefed on the report on 2024 annual audit work arrangements by the auditors, and reviewed and confirmed the 2024 third quarterly report reviewed by Ernst & Young Hua Ming LLP.

## Corporate Governance Report

2. We reviewed the 2024 annual financial statements prepared by the Company, and issued written opinions that such financial statements were prepared in accordance with the PRC GAAP, and agreed to submit such financial statements to Ernst & Young Hua Ming LLP for auditing.
3. We were briefed on matters including the audit process, audit findings and audit adjustments by Ernst & Young Hua Ming LLP and considered that its audit work was executed in strict accordance with provisions of China Independent Standards on Auditing for Certified Public Accountants.
4. Upon issuance of initial audit opinions by the auditors, we reviewed such financial statements prepared by the Company again and considered that they were appropriately prepared in accordance with requirements of the PRC GAAP, and truly and completely reflected the Company's financial position as at 31 December 2024, operating results and cash flow for the year of 2024 in relevant material aspects.
5. We submitted to the Board the 2024 Assessment Report on the Performance of the Accounting Firm's Duties and a Report on the Performance of the Audit Committee's Supervisory Responsibilities, and considered that Ernst & Young Hua Ming LLP conducted its independent audit on the annual report of the Company in a fair and objective manner, demonstrated a high level of professional ethics and business quality and completed the audit work of the 2024 annual report of the Company on time, with the auditing behaviours in an orderly and standard manner, and issued the audit report objectively, completely, clearly and timely. The Audit Committee strictly complied with the relevant regulations of the CSRC, the SSE and the Articles, fully demonstrated the role of the professional committee to review the relevant qualifications and practising capabilities of the accounting firm, and had sufficient discussions and communications with the accounting firm during the audit of the annual report to urge the accounting firm to issue the audit report in a timely, accurate, objective and fair manner, thus effectively performing their supervisory responsibilities in relation to the accounting firm.

*Members of the Audit Committee:* Li Shuidi (then member), Liu Xike (then member), Zhu Xingwen (then member), Wang Feng, Liu Shuying and Lai Dan

25 March 2025

## Corporate Governance Report

The responsibilities of the remuneration committee mainly include: to provide advice to the Board in respect of the remuneration policies and structure of the Directors and senior management and formulation of remuneration policies through establishment of formal and transparent procedures; to review and approve proposals in respect of remuneration of the management in response to the various enterprise principles and targets set by the Board; to propose remuneration of all executive Directors and senior management which includes non-monetary benefits, pension rights and compensation to the Board; to provide advice to the Board in respect of the remuneration of the non-executive Directors; to consider the remuneration paid by companies of similar type, time and duties devoted as well as employment conditions of other positions within the Group; to ensure that no Director or any of his/her associates determines his/her own remuneration; and to perform other duties specified in the terms of reference of the remuneration committee.

From 1 January 2024 to 5 June 2024, the remuneration committee comprised four independent non-executive Directors, namely Mr. Wang Feng, Mr. Zhu Xingwen, Mr. Liu Xike and Mr. Li Shuidi, of which Mr. Wang Feng was the chairman of the remuneration committee; and from 6 June 2024 to 9 October 2024, the remuneration committee comprised four independent non-executive Directors, namely, Mr. Wang Feng, Mr. Li Shuidi, Ms. Lai Dan and Ms. Liu Shuying, of which Mr. Wang Feng was the chairman of the remuneration committee; since 10 October 2024, the remuneration committee comprises three independent non-executive Directors, namely Mr. Wang Feng, Ms. Lai Dan and Ms. Liu Shuying, of which Mr. Wang Feng is the chairman of the remuneration committee.

Performance of duties of the remuneration committee of the Board:

In 2024, the remuneration committee organised and convened one meeting pursuant to the Terms of Reference for the Remuneration Committee of the Board of Jiangxi Copper Company Limited (amended on 13 June 2024) and by the request of the Board. All members of the remuneration committee at the time attended the meeting, and considered the “2023 Remuneration and Travel Allowance Proposal for Directors, Supervisors and Senior Management” submitted by the human resources department of the Company. The remuneration committee shall review the proposed remuneration distribution plan based on the progress in achieving the major business objectives of the Company and the management positions and responsibilities of the Directors and senior management, and submit to the Board for review upon voting and passing of the same.

*Members of the remuneration committee:* Wang Feng, Zhu Xingwen (then member), Liu Xike (then member), Li Shuidi (then member), Lai Dan and Liu Shuying

## Corporate Governance Report

The responsibilities of the nomination committee mainly include: to review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy; to identify individuals suitably qualified to become Directors and select or nominate individuals to serve as Directors or make recommendations to the Board on the same; to establish the diversity policy for the Board members and disclose its policy or the summary of the policy in the Corporate Governance Report; to supervise the diversity policy for the Board members and review the measurable targets and the progress of achievement; to assess the independence of the independent non-executive Directors; to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for the Directors, in particular the Chairman and the chief executive officer.

From 1 January 2024 to 5 June 2024, the nomination committee comprised Mr. Zheng Gaoqing, the Chairman, and four independent non-executive Directors, namely Mr. Wang Feng, Mr. Zhu Xingwen, Mr. Liu Xike and Mr. Li Shuidi, of which Mr. Zheng Gaoqing was the chairman of the nomination committee; from 6 June 2024 to 9 October 2024, the nomination committee comprised Mr. Zheng Gaoqing, the Chairman, and four independent non-executive Directors, namely Mr. Wang Feng, Mr. Li Shuidi, Ms. Lai Dan and Ms. Liu Shuying, of which Mr. Zheng Gaoqing was the chairman of the nomination committee; and since 10 October 2024, the nomination committee comprises Mr. Zheng Gaoqing, the Chairman, and three independent non-executive Directors, namely Mr. Wang Feng, Ms. Lai Dan and Ms. Liu Shuying, of which Mr. Zheng Gaoqing is the chairman of the nomination committee.

In 2024, the nomination committee convened three meetings pursuant to the Terms of Reference for the Nomination Committee of the Board of Jiangxi Copper Company Limited (amended on 13 June 2024) and by the request of the Board. All members of the nomination committee at the time attended the meetings and reviewed the detailed information of Zheng Gaoqing, Zhou Shaobing, Liu Fangyun, Yu Tong, Gao Jian-min, Liang Qing, Li Shuidi, Wang Feng, Liu Shuying and Lai Dan as the candidates for Directors of the tenth session of the Board, Yu Minxin as the candidate for chief financial officer of the Company and Director and Liao Xingeng as the candidate for secretary to the Board. Through careful discussion, the nomination committee reviewed their qualifications and nomination and appointment procedures respectively, and formed written resolutions for the meetings. All independent Directors have provided their written independent opinions.

*Members of the nomination committee:* Zheng Gaoqing, Wang Feng, Zhu Xingwen (then member), Liu Xike (then member), Li Shuidi (then member), Lai Dan and Liu Shuying

## Corporate Governance Report

The responsibilities of the ESG Development Committee mainly include: to study, formulate and implement the Company's medium and long-term environment, society and governance ("ESG") strategies, development policies and principles and key performance indicators, to review the Company's ESG report, and to supervise and inspect the relevant work of ESG working group.

From 1 January 2024 to 23 April 2024, the ESG Development Committee comprised Mr. Zheng Gaoqing, the Chairman, Mr. Liu Xike, an independent non-executive Director, and two executive Directors, namely Mr. Yu Tong and Mr. Liu Fangyun, of which Mr. Zheng Gaoqing and Mr. Liu Xike were the chairman and deputy chairman of the ESG Development Committee, respectively; from 24 April 2024 to 5 June 2024, the ESG Development Committee comprised Mr. Zheng Gaoqing, the Chairman, Mr. Liu Xike, an independent non-executive Director, and Mr. Liu Fangyun, an executive Director, of which Mr. Zheng Gaoqing and Mr. Liu Xike were the chairman and deputy chairman of the ESG Development Committee, respectively; on 6 June 2024, the ESG Development Committee comprised Mr. Zheng Gaoqing, the Chairman, Ms. Liu Shuying, an independent non-executive Director, and Mr. Liu Fangyun, an executive Director, of which Mr. Zheng Gaoqing and Ms. Liu Shuying were the chairman and deputy chairlady of the ESG Development Committee, respectively; from 7 June 2024 to 27 August 2024, the ESG Development Committee comprised Mr. Zheng Gaoqing, the Chairman, Ms. Liu Shuying, an independent non-executive Director, and two executive Directors, namely Mr. Zhou Shaobing and Mr. Liu Fangyun, of which Mr. Zheng Gaoqing and Ms. Liu Shuying were the chairman and deputy chairlady of the ESG Development Committee, respectively; from 28 August 2024 to 27 November 2024, the ESG Development Committee comprised Mr. Zheng Gaoqing, the Chairman, Ms. Liu Shuying, an independent non-executive Director, and three executive Directors, namely Mr. Zhou Shaobing, Mr. Liu Fangyun and Mr. Yu Minxin, of which Mr. Zheng Gaoqing and Ms. Liu Shuying were the chairman and deputy chairlady of the ESG Development Committee, respectively; since 28 November 2024, the ESG Development Committee comprises Mr. Zheng Gaoqing, the Chairman, Ms. Liu Shuying, an independent non-executive Director, and two executive Directors, namely Mr. Zhou Shaobing and Mr. Yu Minxin, of which Mr. Zheng Gaoqing and Ms. Liu Shuying are the chairman and deputy chairlady of the ESG Development Committee, respectively.

Performance of duties of the ESG Development Committee of the Board:

In 2024, the ESG Development Committee organised and convened one meeting pursuant to the Terms of Reference for the Environmental, Social and Governance Development Committee of the Board of Jiangxi Copper Company Limited and by the request of the Board. All members of the ESG Development Committee at the time attended the meeting, considered and approved the 2023 Environmental, Social and Governance Report of Jiangxi Copper Company Limited.

*Members of the ESG Development Committee:* Zheng Gaoqing, Liu Xike (then member), Yu Tong (then member), Liu Fangyun (then member), Liu Shuying, Zhou Shaobing and Yu minxin

# Corporate Governance Report

## **(4) Supervisory Committee**

From 1 January 2024 to 5 June 2024, the ninth session of the Supervisory Committee comprised five Supervisors, including two Supervisors representing the staff and workers; since 6 June 2024, the tenth session of the Supervisory Committee comprises five Supervisors, including two Supervisors representing the staff and workers. The Supervisors serve for a term of office of three years and are eligible for re-election and re-appointment.

During the Reporting Period, the Supervisors exercised its supervising power in accordance with laws, thereby safeguarding the legal interests of the Shareholders, the Company and its employees.

## **(5) Directors' responsibilities for the financial statements**

With the assistance of the accounting department, the Directors are responsible for preparing the financial statements of the Company for each financial year and ensuring that, in preparing such financial statements, appropriate accounting policies are adopted and applied and the PRC GAAP and the IFRSs are complied with to give a true and impartial view of the financial position and operating results of the Company.

## **(6) Independence of the independent non-executive Directors**

The Board has received the confirmation letter from each of the independent non-executive Directors in respect of his/her independence in accordance with Rule 3.13 of the Listing Rules. The Company considers the current independent non-executive Directors to be independent.

## **(7) Board diversity policy**

The Board has adopted a diversity policy for the Board members, and the nomination committee is responsible for monitoring the measurable targets and the progress of achievement as set out in such policy.



## Corporate Governance Report

The Company understands and believes that the diversity of the Board members can greatly benefit the enhancement of the quality of its performance. With a view to achieving a sustainable and balanced development, the Company views the increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and sustainable development. All appointments to the Board are based on meritocracy. Candidates are selected objectively, having taken into full account the benefits of diversity of the Board members and based on a series of diversity perspectives and measurable targets. These measurable targets include but are not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. In addition, the Board reviews the implementation and effectiveness of the Board diversity policy on an annual basis. The nomination committee has performed the abovementioned duties, including selecting candidates and reviewing the implementation and effectiveness of the Board diversity policy. Having considered that the current proportion of the independent non-executive Directors on the Board ranges from one-third to 40%, most Directors are aged between 40 and 60, and the cultural and educational backgrounds of the Directors cover various fields, such as mining, management, finance and accounting, in which the Directors have made outstanding achievements, the nomination committee is of the view that the current Board has fully demonstrated a diverse composition in terms skills, experience, knowledge, cultural and educational background and independence.

As at the publication date of this report, the tenth session of the Board comprised two female members. The Company will continue to take into account the Board diversity policy fully, and place emphasis on including gender as a factor for consideration for the achievement of Board diversity of the Company.

The Company is also devoted to achieving gender diversity in the entire workforce. As at the end of the Reporting Period, the number of female employees of the Company accounted for approximately 15.01% of the total number of employees, which is a relatively high ratio in the mining and smelting industry. The Board is of the view that the Company has achieved gender diversity among its workforce. The hiring strategies of the Company achieve diversity in the workforce, including the senior management, in terms of gender, age, ethnicity, cultural and educational background, professional experience, skills and knowledge, etc.



# Corporate Governance Report

## **(8) Policy for nomination of Directors**

The procedures of appointment, re-election and removal of Directors are set out in the Articles. The nomination committee carefully considers aspects including the qualifications and biographies of Director candidates and then recommends them to the Board. After the Board passes the resolutions in relation to the candidate nomination, the resolutions will be submitted to the general meeting of the Company for consideration and approval. The nomination committee and the Board will consider a number of factors in making nominations, including but not limited to skills, expertise, industrial experience, integrity, independence (regarding the independent non-executive Directors) and the diversity of the Board.

## **IV. PEER COMPETITION AND CONNECTED TRANSACTIONS**

### **(1) Peer competition**

During the Reporting Period, there was no substantive peer competition between the Company and its controlling Shareholder, JCC.

### **(2) Connected transactions**

The Company was established in 1997 through separation of part of the assets from the controlling Shareholder, JCC. Hence, certain connected transactions are inevitable between the Company and JCC and its subsidiaries (other than the Group) from time to time. Such connected transactions are in compliance with the market and business principles and follow the approval procedures for connected transactions.

The Company has sought to reduce the connected transactions with JCC and its subsidiaries (other than the Group) from time to time since its listing. The types of connected transactions between the Company and JCC and its subsidiaries (other than the Group) from time to time have been substantially reduced due to the increasing acquisitions of assets of JCC and its subsidiaries (other than the Group) from time to time by the Company and the socialisation of part of the assets of JCC.

For details of the connected transactions conducted between the Company and JCC and its subsidiaries (other than the Group) from time to time, please refer to the contents of "Material Connected Transactions" in the chapter of "Significant Events" in this report.

# Corporate Governance Report

## V. GENERAL MEETING OVERVIEW

Meeting	Date	Reference for inspection on the specified website for resolution publication	Disclosure date of resolution publication	Resolutions of the meeting
2024 First Extraordinary General Meeting	4 January 2024	SSE www.sse.com.cn (Announcement No.: 2024-001)	5 January 2024	A total of 3 resolutions were considered and approved at the meeting with no objection. Please refer to the announcement published on the websites of the SSE and the Company for details.
2023 Annual General Meeting	6 June 2024	SSE www.sse.com.cn (Announcement No.: 2024-033)	7 June 2024	A total of 11 resolutions were considered and approved at the meeting with no objection. Please refer to the announcement published on the websites of the SSE and the Company for details.
2024 Second Extraordinary General Meeting	10 July 2024	SSE www.sse.com.cn (Announcement No.: 2024-039)	11 July 2024	A total of 2 resolutions were considered and approved at the meeting with no objection. Please refer to the announcement published on the websites of the SSE and the Company for details.

### Preference shareholders with restored voting rights requested to convene extraordinary general meetings

Not applicable

### Explanation on general meetings

In 2024, all resolutions considered by the three general meetings convened by the Company were approved.

# Corporate Governance Report

## VI. INFORMATION ON BOARD MEETINGS HELD DURING THE REPORTING PERIOD

Meeting	Date	Resolutions of the meeting
The twenty-seventh meeting of the ninth session of the Board	22 January 2024	<p>The following resolution was considered and approved:</p> <ol style="list-style-type: none"> <li>the Resolution of Jiangxi Copper Company Limited on External Guarantee of Subsidiary Zhejiang Jiangtong Fuye Heding Copper Co., Ltd.</li> </ol>
The twenty-eighth meeting of the ninth session of the Board	19 February 2024	<p>The following resolution was considered and approved:</p> <ol style="list-style-type: none"> <li>the Resolution of Jiangxi Copper Company Limited on Repurchase of Shares through Centralised Price Bidding</li> </ol>
The twenty-ninth meeting of the ninth session of the Board	27 March 2024	<p>The following resolutions were considered and approved:</p> <ol style="list-style-type: none"> <li>the Resolution on the 2023 Audited Domestic and Overseas Financial Report, the 2023 Annual Report and its Summary, the Report of the Board and the Corporate Governance Report of Jiangxi Copper Company Limited</li> <li>the Resolution of Jiangxi Copper Company Limited on the 2023 Profit Distribution Plan</li> <li>the Resolution of Jiangxi Copper Company Limited on the 2023 Proposal of Remuneration for Directors and Senior Management and Travel Allowances for Independent Directors</li> <li>the Resolution of Jiangxi Copper Company Limited on the Re-election of the Board</li> <li>the Resolution of Jiangxi Copper Company Limited on the Annual Remuneration Plan for Members of the Tenth Session of the Board during Their Terms</li> <li>the Resolution of Jiangxi Copper Company Limited on Appointment of Ernst &amp; Young Hua Ming LLP and Ernst &amp; Young as Domestic (including Internal Control Audit) and Overseas Auditors of the Company for 2024 Respectively</li> </ol>

# Corporate Governance Report

Meeting	Date	Resolutions of the meeting
The thirtieth meeting of the ninth session of the Board	26 April 2024	7. the Resolution of Jiangxi Copper Company Limited on the 2024 Production and Operation Plan
		8. the 2023 Internal Control Evaluation Report of Jiangxi Copper Company Limited
		9. the 2023 Environmental, Social and Governance Report of Jiangxi Copper Company Limited
		10. the Resolution of Jiangxi Copper Company Limited on Provision for Assets Impairment for 2023
		11. the Resolution of Jiangxi Copper Company Limited on the Assessment Report on the Performance of Duties of the Accounting Firm and the Report on the Performance of Supervisory Responsibilities of the Audit Committee in 2023
		12. the Resolution of Jiangxi Copper Company Limited on Self-Inspection of Independent Directors' Independence
		13. the Resolution of Jiangxi Copper Company Limited on Proposing to Extend the Validity Period of the Authorisation of the General Meeting to the Board and the Authorised Persons of the Board to Handle Matters Related to the Spin-off and Listing of Copper Foil
		14. considered and approved matters related to the convening and holding of the 2023 annual general meeting and the disclosure of the 2023 annual report
		The following resolutions were considered and approved:
		1. the Resolution on the 2024 First Quarterly Report of Jiangxi Copper Company Limited
		2. the Resolution of Jiangxi Copper Company Limited on the General Manager Acting as Chief Financial Officer
		3. the Resolution of Jiangxi Copper Company Limited on the Cessation of Appointment of Mr. Chen Yunian as Deputy General Manager of the Company

# Corporate Governance Report

Meeting	Date	Resolutions of the meeting
		<ol style="list-style-type: none"> <li>the Resolution of Jiangxi Copper Company Limited on the Entering into of the Supplemental Agreement in Respect of the Financial Services Agreement between JCC Finance Company Limited, a Subsidiary of the Company, and Jiangxi Copper Corporation Limited, the Controlling Shareholder of the Company</li> </ol>
The thirty-first meeting of the ninth session of the Board	4 June 2024	<p>The following resolution was considered and approved:</p> <ol style="list-style-type: none"> <li>the Resolution on the Termination of the Spin-off and Listing of a Controlled Subsidiary Jiangxi JCC Copper Foil Technology Company Limited on the ChiNext of the Shenzhen Stock Exchange</li> </ol>
The first meeting of the tenth session of the Board	7 June 2024	<p>The following resolutions were considered and approved:</p> <ol style="list-style-type: none"> <li>the Resolution of Jiangxi Copper Company Limited on the Election of Mr. Zheng Gaoqing as the Chairman of the Tenth Session of the Board of the Company</li> <li>the Resolution of Jiangxi Copper Company Limited on the Election of Mr. Zhou Shaobing as the Deputy Chairman of the Tenth Session of the Board of the Company</li> <li>the Resolution of Jiangxi Copper Company Limited on the Updates of Members of Each Special Committee under the Board</li> <li>the Resolution of Jiangxi Copper Company Limited on the Appointment of Mr. Yu Minxin as the Chief Financial Officer of the Company</li> <li>the Resolution of Jiangxi Copper Company Limited on the Nomination of Mr. Yu Minxin as Director Candidate of the Company</li> </ol>
The second meeting of the tenth session of the Board	13 June 2024	<p>The following resolutions were considered and approved:</p> <ol style="list-style-type: none"> <li>the Rules for Independent Directors of Jiangxi Copper Company Limited</li> <li>the Terms of Reference for the Independent Audit Committee (the Audit Committee) of the Board of Jiangxi Copper Company Limited</li> <li>the Terms of Reference for the Remuneration Committee of the Board of Jiangxi Copper Company Limited</li> </ol>

# Corporate Governance Report

Meeting	Date	Resolutions of the meeting
		<ol style="list-style-type: none"> <li>the Terms of Reference for the Nomination Committee of the Board of Jiangxi Copper Company Limited</li> <li>the Resolution on Proposing to Convene the Second Extraordinary General Meeting of Jiangxi Copper Company Limited in 2024</li> </ol>
The third meeting of the tenth session of the Board	28 August 2024	<p>The following resolutions were considered and approved:</p> <ol style="list-style-type: none"> <li>the 2024 Interim Report and its Summary of Jiangxi Copper Company Limited</li> <li>the Resolution of Jiangxi Copper Company Limited on the Appointment of Mr. Yu Minxin as a Member of the Environmental, Social and Governance (ESG) Development Committee under the Tenth Session of the Board</li> <li>the Resolution of Jiangxi Copper Company Limited on the Provision for Assets Impairment for the Half Year of 2024</li> <li>the Resolution of Jiangxi Copper Company Limited on the Continuous Risk Assessment Report of its Controlled Subsidiary JCC Finance Company Limited</li> </ol>
The fourth meeting of the tenth session of the Board	29 October 2024	<p>The following resolution was considered and approved:</p> <ol style="list-style-type: none"> <li>the 2024 Third Quarterly Report of Jiangxi Copper Company Limited</li> </ol>
The fifth meeting of the tenth session of the Board	6 December 2024	<p>The following resolutions were considered and approved:</p> <ol style="list-style-type: none"> <li>the Resolution of Jiangxi Copper Company Limited on the Cessation of Mr. Tu Dongyang to Serve as the Secretary to the Board of the Company</li> <li>the Resolution of Jiangxi Copper Company Limited on the Appointment of Mr. Liao Xingeng to Serve as the Secretary to the Board of the Company</li> </ol>

# Corporate Governance Report

## VII. PERFORMANCE OF DIRECTORS' DUTIES

### (1) Attendance of Directors in the Board meetings and general meetings

Name of Director	Whether an independent Director	Required attendance in the year	Attendance in person	Participation in Board meetings			Whether not attending in person for two consecutive times	Participation in general meetings
				Attendance by telecommunication	Attendance by proxy	Absence		Attendance in general meetings
Zheng Gaoqing	No	10	10	0	0	0	No	3
Zhou Shaobing	No	10	10	1	0	0	No	2
Yu Minxin	No	3	3	0	0	0	No	0
Yu Tong	No	3	3	0	0	0	No	1
Liu Fangyun	No	9	9	1	0	0	No	1
Gao Jian-min	No	10	10	2	0	0	No	0
Liang Qing	No	10	10	2	0	0	No	0
Liu Xike	Yes	5	5	0	0	0	No	1
Zhu Xingwen	Yes	5	5	0	0	0	No	1
Wang Feng	Yes	10	10	1	0	0	No	1
Li Shuidi	Yes	8	8	0	0	0	No	2
Liu Shuying	Yes	5	5	0	0	0	No	1
Lai Dan	Yes	5	5	0	0	0	No	1

Explanation on non-attendance in the Board meetings in person for two consecutive times

Not applicable

Board meetings convened during the year	10
Of which: On-site meetings	2
Meetings by telecommunication	0
Meetings held on site and by telecommunications	8

### (2) Objection of Directors on the Company's relevant matters

Not applicable



## Corporate Governance Report

### (3) Model Code for Securities Transaction by Directors

During the Reporting Period, the Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) contained in Appendix C3 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 requirements of the Model Code during the Reporting Period.

### (4) Directors’ participation in continuous professional development

During the Reporting Period, according to the requirements of the CSRC and the SSE and the Stock Exchange, all the Directors (namely Mr. Zheng Gaoqing, Mr. Zhou Shaobing, Mr. Gao Jian-min, Mr. Liang Qing, Mr. Liu Fangyun (then member), Mr. Yu Tong (then member), Mr. Liu Xike (then member), Mr. Zhu Xingwen (then member), Mr. Yu Minxin, Mr. Wang Feng, Mr. Li Shuidi (then member), Ms. Lai Dan and Ms. Liu Shuying) had participated in the continuous professional development and updated their knowledge and skills through attending training sessions and/or reading relevant materials, so as to ensure that they can continue to contribute to the Board with comprehensive information and in a manner that is relevant to its needs.

All Directors have read and earnestly studied the latest securities laws, regulations and rules of the PRC and Hong Kong.

## VIII. SPECIAL COMMITTEES OF THE BOARD

### (1) Members of the special committees of the Board

Type of special committee	Name of member
Audit Committee	Zhu Xingwen (then member), Liu Xike (then member), Li Shuidi (then member), Lai Dan, Wang Feng, Liu Shuying
Nomination committee	Zheng Gaoqing, Zhu Xingwen (then member), Liu Xike (then member), Li Shuidi (then member), Wang Feng, Lai Dan, Liu Shuying
Remuneration committee	Zhu Xingwen (then member), Liu Xike (then member), Li Shuidi (then member), Wang Feng, Lai Dan, Liu Shuying
ESG Development Committee	Zheng Gaoqing, Liu Xike (then member), Yu Tong (then member), Liu Fangyun (then member), Liu Shuying, Zhou Shaobing, Yu minxin

# Corporate Governance Report

## (2) The Audit Committee held 4 meetings during the Reporting Period

Date	Matters	Key opinions and suggestions	Other performance of duties
21 March 2024	Considering the Company's 2023 annual report, the assessment report on the performance of duties of the accounting firm and the report on the performance of supervisory responsibilities of the audit committee for the year 2023	The independent Directors provided opinions and suggestions on the management of the Company's accounts receivables, financial accounting treatment and prevention of tax risks.	None
25 April 2024	Considering the Company's 2024 first quarterly report	None	None
26 August 2024	Considering the Company's 2024 interim report and provision for assets impairment	The independent Directors provided opinions and suggestions on the Company's improvement of human resources management system and strengthening its internal control management.	None
28 October 2024	Considering the Company's 2024 third quarterly report	None	None

## Corporate Governance Report

### (3) The nomination committee held 3 meetings during the Reporting Period

Date	Matters	Key opinions and suggestions	Other performance of duties
21 March 2024	Nominating Zheng Gaoqing, Zhou Shaobing, Liu Fangyun, Yu Tong, Gao Jianmin, Liang Qing, Li Shuidi, Wang Feng, Liu Shuying and Lai Dan as Director candidates of the tenth session of the Board, of which Li Shuidi, Wang Feng, Liu Shuying and Lai Dan are independent Director candidates	None	None
7 June 2024	Nominating Yu Minxin as the chief financial officer of the Company and candidate for Director	None	None
20 November 2024	Nominating Liao Xingeng as the secretary to the Board	None	None

# Corporate Governance Report

## (4) The remuneration committee held 1 meeting during the Reporting Period

Date	Matters	Key opinions and suggestions	Other performance of duties
21 March 2024	Considering the resolutions on the 2023 remuneration and travel allowance proposal for Directors, Supervisors and senior management of the Company, and the remuneration of the tenth session of the Directors and Supervisors	None	None

## (5) The ESG Development Committee held 1 meeting during the Reporting Period

Date	Matters	Key opinions and suggestions	Other performance of duties
21 March 2024	Considering the 2023 Environmental, Social and Governance Report of the Company	None	None

## (6) Details of objections

Not applicable

## IX. EXPLANATION ON THE RISK IN THE COMPANY DISCOVERED BY THE SUPERVISORY COMMITTEE

Not applicable

The Supervisory Committee had no objection to the supervised matters during the Reporting Period.

# Corporate Governance Report

## **X. APPRAISAL MECHANISM FOR SENIOR MANAGEMENT AND ESTABLISHMENT AND IMPLEMENTATION OF INCENTIVE MECHANISM DURING THE REPORTING PERIOD**

According to the authorisation by the general meeting, the Board has considered and approved the resolution on the remuneration of the senior management of the Company for the year 2024.

## **XI. AUDITORS' REMUNERATION**

For details of the auditors' remuneration in 2024, please refer to the content of "Appointment and removal of accounting firms" under the section headed "Significant Events" in this report.

## **XII. COMPANY SECRETARY**

For the year ended 31 December 2024, Mr. Liao Xingeng and Mr. Tung Tat Chiu, Michael, the joint company secretaries of the Company, had received relevant professional trainings of not less than 15 hours to update their skills and knowledge. Mr. Liao Xingeng, a deputy general manager and joint company secretary of the Company, is the main contact person for Mr. Tung Tat Chiu, Michael.

## **XIII. SHAREHOLDERS' RIGHTS**

The Company ensures that all the Shareholders enjoy equal rights and they can fully exercise their rights based on their shareholdings. The Articles expressly provides that the Shareholder(s) holding more than 10% (including 10%) of the issued shares with voting rights of the Company may request the Board to convene an extraordinary general meeting in writing. The relevant procedures on convening, holding of and voting at the general meetings are in strict compliance with relevant laws and the Articles.

Shareholders, individually or aggregately, holding over 3% of the shares of the Company shall have the right to propose provisional motions to the convener of the general meeting in writing ten (10) days prior to the general meeting. The convener shall within two (2) days of receipt of the provisional motions issue supplemental notice of the general meeting to disclose the contents of the provisional motions.

The Articles also expressly provides that the Shareholders are entitled to supervise and manage the business and operation of the Company, put forward recommendations or questions, inquire relevant information as well as enjoy the rights to be informed of and participate in the Company's significant events. For details of the procedures and methods of inquiry, please refer to the Articles. The Company values good communication with the Shareholders. The main communication channels of the Company include general meetings, the Company's website and email, the facsimile and telephone of the secretariat of the Board as set out in the section headed "Corporate Profile" in this report, which are available for the Shareholders to express their opinions or exercise their rights.

# Corporate Governance Report

## XIV. INVESTOR RELATIONS

During the Reporting Period, the Company attached great importance to building a sound and harmonious investor relation, and has implemented a proactive policy of promoting investor relations and communication. The Company strengthened communication and interaction with investors through various channels such as the Company's website, email, telephone and facsimile, received and responded to their visits, letters and calls seriously, and addressed their concerns and inquiries, turning investors' requests and suggestions into an incentive for the development of the Company.

In addition, the websites of the Company and the Stock Exchange contain the information of the Company, the annual reports, interim reports, quarterly reports and extraordinary announcements and circulars published by the Company. The latest information of the Company is available to the Shareholders and investors.

The Company reviews the investor relations policy annually, and makes any amendments it considers necessary to ensure the policy's effectiveness and that the legitimate interests of the Shareholders and investors are adequately protected.

The Company has reviewed the implementation and effectiveness of its investor relations policy. Having considered the different channels of communication in place, the Company is of the view that an effective investor relations policy has been properly implemented during the Reporting Period.

The Company has uploaded the Articles on the websites of the Stock Exchange (<https://www.hkexnews.hk/>) and the Company (<http://www.jxcc.com/>). During the Reporting Period, the Company did not make any amendments to the Articles.

## XV. RISK MANAGEMENT AND INTERNAL CONTROL

In order to strengthen the organisation, leadership, command and coordination of the establishment and operation of the risk control system of the Company, comprehensively improve the ability and efficiency of risk control management, prevent and resolve various risks in a timely manner, and promote the sustainable, healthy and stable development of the Company, the Company established the risk management committee, comprising the general manager, the deputy director of co-management, other administrative deputy leaders and the main heads of each major department of the Company. The risk management committee of the Company holds meetings from time to time. Its responsibilities include reviewing the Company's risk management strategy, determining the Company's risk preference and risk tolerance and reviewing risk management policies and risk assessment standards; reviewing risk management solutions, including major risk response plans, major risk early warning indicators and early warning plans; reviewing risk management assessment and recommending special reports and risk management supervision and evaluation comprehensive audit reports; reviewing risk management organisation settings and their responsibilities plans; and other matters related to risk management.

## Corporate Governance Report

The risk management committee of the Company has an office located in the risk control, internal audit and legal department of the Company. The office is responsible for the daily work of the committee, including inspection, supervision, evaluation and reporting on the establishment and daily operation of the risk control system of the Company, submitting decision-making proposals to the risk management committee, and organising and implementing the relevant decisions and deployments.

The Audit Committee regularly (twice a year) reviews the risk management system for the year of 2024 of the Group. During the Reporting Period, the Audit Committee has conducted an evaluation for the Group's risk management system, and is of the view that the risk management system of the Group was effective and adequate.

The Board is responsible for the risk management and internal control systems and is responsible for reviewing the effectiveness of these systems. These systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. The Board regularly (once a year) reviews the internal control of the Group. The Company has a risk control, internal audit and legal department, one of whose functions is internal control, which provides analysis and independent assessment of the Company's risk management and internal control system. During the Reporting Period, the Board has conducted an evaluation for the Group's internal control. Please refer to the 2024 Internal Control Evaluation Report published in "Internal Control" of this report for details.

### XVI. INSIDE INFORMATION POLICY

The Company has formulated the Registration Filing System of Inside Information Sources of Jiangxi Copper Company Limited to provide guidelines for sources of inside information, including but not limited to the Directors, Supervisors and senior management of the Company, to regulate inside information management, strengthen the confidentiality work of inside information and uphold the principle of fairness in respect of disclosure of information.



# Business Overview of the Company

## I. BUSINESS SITUATIONS OF THE COMPANY DURING THE REPORTING PERIOD

The principal business of the Group covers copper and gold mining, dressing, smelting and processing; extraction and processing of rare and scattered metals; sectors such as sulphuric chemistry and trading. It has established a complete industrial chain integrated with exploration, mining, ore dressing, smelting and processing in copper and related non-ferrous metal fields, is an important production base of copper, gold, silver and sulphuric chemistry in the PRC. The Company's products include more than 50 varieties, such as copper cathode, gold, silver, sulphuric acid, copper rods, copper tubes, copper foil, selenium, tellurium, rhenium and bismuth, of which copper cathode of "Guiye", "JCC" and "HUMON-D" of Humon Smelting are registered products in 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 (stock code: 002237) 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 98.33 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. Five smelters under production: Guixi Smelter, Jiangxi Copper (Qingyuan) Company Limited, JCC Hongyuan, JCC Guoxing and Heding Copper, among which Guixi Smelter is the technologically advanced crude and refined copper smelter of the largest scale in the PRC.
3. Five 100% owned mines under production: Dexing Copper Mine (including copper factory mining area and Fujiawu mining area), Yongping Copper Mine, Chengmenshan Copper Mine (including Jinjiwo Silver-Copper Mine), Wushan Copper Mine and Yinshan Mining.

## Business Overview of the Company

4. Ten modern copper products processing plants: Jiangxi Copper Products Company Limited, Jiangxi Copper (Guangzhou) Copper Production Company Limited, JCC Copper Foil, JCC Taiyi, JCC Longchang, JCC Copper Products Company Limited, Jiangxi Copper North China (Tianjin) Copper Co., Ltd. TPCO Copper Industry Corp., Ltd., Jiangxi Copper Huadong Copper Materials Co., Ltd. and Huadong Electric.

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

Product	Use
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	They are 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 chemicals and fertilisers, and can be used in industries such as metallurgy, food, medicine, fertilisers and rubber.

# Business Overview of the Company

## 2. Business model

### (1) Procurement model

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

Product	Procurement channel	Procurement method	Pricing method
Copper concentrates	Domestic and foreign procurement	The trading business department of the Company is responsible for the unified procurement of raw materials for the Company's headquarters; other operating units are responsible for their own procurement in accordance with the production and business plans	For foreign procurement, the procurement price was determined with reference to the LME copper price, the LBMA gold and silver prices, and by deducting the TC/RC from the above-mentioned metal price basis. The TC/RC was determined through negotiations between both parties of the transactions. For domestic procurement, the procurement price was determined with reference to the copper price on the SHFE, and by either deducting the corresponding processing fees from or multiplying the corresponding pricing coefficient by the average price or the spot price of the SHFE.
Crude copper, coarse copper	Domestic and foreign procurement		
Production equipment	Domestic and foreign procurement	The material and equipment department of the Company is responsible for the unified procurement of uniform equipment, each operating unit is responsible for its own procurement of self-purchased supplies, and the material and equipment department shall guide, supervise, assess and inspect the procurement of supplies of each unit	Compared to the market price

## Business Overview of the Company

### (2) Sales model

Product	Method of sales	Major sales market
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 SHFE	Mainly in Eastern China and Southern China regions, 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 and Northern China regions
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 sold domestically to Eastern China and Southern China regions
Sulphuric acid	Long-term contracts are entered into with relatively stable major customers, and products are supplied and sold in installments	Mainly in Eastern China, Central China, Southern China and Southwest China and other regions

### (3) Production model

At present, there are two main smelting methods of copper 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 ores; whereas wet smelting is generally suitable for low-grade copper oxide, which is lower in cost, but has greater restrictions on the grades and types of ores, and has higher impurity contents. The Company mainly uses pyrometallurgical smelting for copper smelting, and adopts wet smelting for gold smelting.

# Business Overview of the Company

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

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

### 1. Advantage of scale

The Group is the largest production base of copper and an important base of sulphuric chemistry in the PRC. The Company owns a number of copper mines under production including Dexing Copper Mine, a large open-pit mine. As at 31 December 2024, the Company had 100% ownership in the resource reserves of approximately 8.8991 million tonnes of copper metal, 239.08 tonnes of gold, 8,252.6 tonnes of silver and 166,200 tonnes of molybdenum. Among the resources jointly controlled by the Company and other companies, metal resource reserves attributable to the Company according to its equity percentage were approximately 13.12 million tonnes of copper and 97.26 tonnes of gold. Humon Smelting, a controlled subsidiary of the Company and its subsidiaries have 82.19 tonnes of proven gold reserves (metal content) which have completed reserve registration.

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

- (1) The Group is the largest integrated copper production enterprises 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, rare and scattered metals. The annual production of copper contained in copper concentrates of the Company is approximately 0.2 million tonnes. Humon Smelting, a controlled subsidiary of the Company, has an annual production capacity of 98.33 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 2.0 million tonnes of copper products processed per year.
- (3) The production capacity of copper cathode of the Group is over 2 million tonnes per year, and Guixi Smelter under the Company is the single-unit copper smelter of the largest scale in the world.

## Business Overview of the Company

### 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, with the overall production technology and key techno-economic indicators reaching advanced international standards. Dexing Copper Mine is a modernised copper mine with advanced technological level in the PRC, owns and has mastered the application of international software for the design, planning and optimisation of mining and the Beidou positioning intelligent 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 pulverised coal bottom blowing direct reduction technology.

### 4. Advantage of cost

Dexing Copper Mine owned by the Company is the open-pit copper mine. The unit cash cost is below the industry average. Guixi Smelter owned by the Company is the world's largest single-unit smelter, with leading technology and scale effect, giving the Company more cost advantage.

### 5. Advantage of brand

The “Guiye” copper cathode of the Company was successfully registered with the LME in one go in 1996, which is the first world-class brand of copper of 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 Centre of the Company is the only testing factory of copper cathode in the PRC recognised by the LME, which has completed a number of copper cathode tests for the registration of various domestic enterprises with the LME. The Company has established good and long-term relationship with world-class mining enterprises.

### 6. Advantage of management and talent

The management team of the Company has extensive experience and has actively participated in corporate governance of the Company for a long period of time 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 enterprises.

# Report of the Board

## I. PRINCIPAL BUSINESS

The principal business of the Group covers copper and gold mining, dressing, smelting and processing; extraction and processing of rare and scattered metals; sectors such as sulphuric chemistry and trading. It has established a complete industrial chain integrated with exploration, mining, ore dressing, smelting and processing in copper and related non-ferrous metal fields, is an important production base of copper, gold, silver and sulphuric chemistry in the PRC. The Company's products include more than 50 varieties, such as copper cathode, gold, silver, sulphuric acid, copper rods, copper tubes, copper foil, selenium, tellurium, rhenium and bismuth, of which copper cathode of "Guiye", "JCC" and "HUMON-D" of Humon Smelting are registered products in the LME, and "JCC" gold and silver are registered products in the LBMA.

## II. CHANGES IN SHARE CAPITAL

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

## III. ISSUE AND LISTING OF SECURITIES

### (I) Issue of securities during the Reporting Period

Not applicable

### (II) Total number of shares and changes in the shareholding structure of the Company and changes in the asset and liability structure of the Company

During the Reporting Period, the Company had no relevant changes.

### (III) Existing internal staff shares

During the Reporting Period, the Company had no internal staff shares.



# Report of the Board

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## IV. BUSINESS OVERVIEW

### (I) Business summary and analysis

Business and results analysis taking into account key financial performance indicators of the Group are set out in “Summary of Accounting Data and Financial Indicators” on pages 8 to 13, “Business Overview of the Company” on pages 83 to 88 and “Management Discussion and Analysis” on pages 14 to 56 of this report.

### (II) Environmental policies and performance

For information on environmental policies and social responsibilities of the Company, please refer to the content in “XVI. ENVIRONMENTAL AND SOCIAL RESPONSIBILITY” under the “Significant Events” section of this report and the separately published “Environmental, Social and Governance Report” for the year of 2024 in accordance with the relevant requirements of the Listing Rules by the Company on 27 March 2025.

## Report of the Board

### (III) Compliance with relevant laws and regulations

The Group understands the importance of compliance with the requirements of regulations. The risks of not complying with relevant requirements may lead to material adverse effects. During the Reporting Period, the Company strictly complied with applicable laws and regulations in various countries and regions as always, and update various terms in a timely manner. The legal affairs department of the Company would regularly organise and arrange internal study to ensure that the Company is in compliance with laws and regulations in its daily operations. For potential legal risks found, the legal affairs department of the Company will cooperate with the risk control department and carry out rectification in a timely manner.

Save as disclosed in this report, the Group is also in compliance with relevant requirements of the Companies Ordinance in Hong Kong and the Company Law, listing rules of the applicable stock exchanges and the Securities and Futures Ordinance (“SFO”).

### (IV) Significant relationships with stakeholders

Trust and support from stakeholders are closely related to the growth and success of the Company. Our stakeholders include employees, suppliers and customers:

#### 1. Employees

The Company firmly implements “talent strategies” to provide employees with a sound and safe working environment, and constantly optimise the remuneration and benefit system. Over the years, the management team and employee team of the Company have been stable.

#### 2. Suppliers

Since the establishment of the Company, the product output has continuously increased exponentially, providing suppliers with extensive business opportunities and strategic partnerships with various well-known domestic and foreign companies have been formed. The Company has also promoted the prosperity of related industries while developing itself. During the Reporting Period, the relationship between the Company and the major suppliers was good and stable.

## Report of the Board

### 3. Customers

The Company abided by the business ethics of integrity and harmony, adhered to the business philosophy of “creating value with customers”, and pursued customer relationships based on mutual trust and mutual understanding, mutual benefit, and win-win cooperation. The Company required all employees to treat customers as themselves, emphasising product quality and corporate reputation awareness, providing high-quality and qualified products to customers, effectively maintaining good customer relationships, and providing good after-sales services. During the Reporting Period, the relationship between the Company and the major customers was good and stable.

### (V) Major risks and uncertainties

Description of the potential risks which the Group may encounter is set out on pages 53 to 56 in the “Management Discussion and Analysis” of this report.

### (VI) Significant matters after the Reporting Period

Not applicable

### (VII) Future development

Future development of the business of the Group is set out on pages 49 to 56 in the “Management Discussion and Analysis” of this report.

## V. PARTICULARS OF SHAREHOLDERS AND DE FACTO CONTROLLER

### (I) Total number of Shareholders

Total number of ordinary Shareholders as at the end of the Reporting Period	120,547
Total number of ordinary Shareholders as at the end of the previous month before the disclosure date of the annual results	119,875
Total number of preference Shareholders with voting rights restored as at the end of the Reporting Period	0
Total number of preference Shareholders with voting rights restored as at the end of the previous month before the disclosure date of the annual results	0

## Report of the Board

### (II) Particulars of shareholdings of the top ten Shareholders and the top ten Shareholders holding tradable shares (or Shareholders not subject to lock-up) as at the end of the Reporting Period

Particulars of shareholdings of the top ten Shareholders (excluding shares lent through refinancing)

Unit: Share

Name of Shareholder (full name)	Increase/ decrease during the Reporting Period	Number of shares held as 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	11,882,200	1,525,778,110	44.06	0	Nil	0	State-owned legal person
HKSCC Nominees Limited ("HKSCC")	387,849	1,073,807,863	31.01	0	Nil	0	Overseas legal person
China Securities Finance Corporation Limited (中國證券金融股份有限公司)	0	103,719,909	3.00	0	Nil	0	State-owned legal person
Hong Kong Securities Clearing Company Limited	-27,416,795	41,704,924	1.20	0	Nil	0	Overseas legal person
Industrial and Commercial Bank of China Limited – Huatai-PB CSI 300 Open-ended Index Fund (中國工商銀行股份有限公司－華泰柏瑞滬深300交 易型開放式指數證券投資基金)	10,130,100	17,879,829	0.52	0	Nil	0	Unknown
Yang Weiye	-2,902,900	13,648,151	0.39	0	Nil	0	Unknown
China Construction Bank Corporation Limited – E Fund CSI 300 Open-ended Initiated Index Fund (中國建設銀行股份有限公司－易方達滬深300交易 型開放式指數發起式證券投資基金)	9,523,300	12,352,368	0.36	0	Nil	0	Unknown
Industrial and Commercial Bank of China Limited – Huaxia CSI 300 Open-ended Index Fund (中國工 商銀行股份有限公司－華夏滬深300交易型開放式 指數證券投資基金)	6,084,700	8,214,869	0.24	0	Nil	0	Unknown
Bank of China Corporation Limited – Harvest CSI 300 Open-ended Index Fund (中國銀行股份有 限公司－嘉實滬深300交易型開放式指數證券投資基 金)	5,346,900	7,782,314	0.22	0	Nil	0	Unknown
Gui Shiman	4,637,900	5,509,800	0.16	0	Nil	0	Unknown

## Report of the Board

### Particulars of shareholdings of the top ten Shareholders not subject to lock-up (excluding shares lent through refinancing)

Unit: Share

Name of Shareholder	Number of tradable shares held not subject to lock-up	Class and number of shares	
		Class	Number
JCC	1,525,778,110	Ordinary shares denominated in RMB (A shares)	1,205,479,110
		Overseas listed foreign shares (H shares)	320,299,000
HKSCC	1,073,807,863	Overseas listed foreign shares (H shares)	1,073,807,863
China Securities Finance Corporation Limited (中國證券金融股份有限公司)	103,719,909	Ordinary shares denominated in RMB (A shares)	103,719,909
Hong Kong Securities Clearing Company Limited	41,704,924	Ordinary shares denominated in RMB (A shares)	41,704,924
Industrial and Commercial Bank of China Limited – Huatai-PB CSI 300 Open-ended Index Fund (中國工商銀行股份有限公司－華泰柏瑞滬深300交易型開放式指數證券投資基金)	17,879,829	Ordinary shares denominated in RMB (A shares)	17,879,829
Yang Weiyu	13,648,151	Ordinary shares denominated in RMB (A shares)	13,648,151
China Construction Bank Corporation Limited – E Fund CSI 300 Open-ended Initiated Index Fund (中國建設銀行股份有限公司－易方達滬深300交易型開放式指數發起式證券投資基金)	12,352,368	Ordinary shares denominated in RMB (A shares)	12,352,368
Industrial and Commercial Bank of China Limited – Huaxia CSI 300 Open-ended Index Fund (中國工商銀行股份有限公司－華夏滬深300交易型開放式指數證券投資基金)	8,214,869	Ordinary shares denominated in RMB (A shares)	8,214,869
Bank of China Corporation Limited – Harvest CSI 300 Open-ended Index Fund (中國銀行股份有限公司－嘉實滬深300交易型開放式指數證券投資基金)	7,782,314	Ordinary shares denominated in RMB (A shares)	7,782,314
Gui Shiman	5,509,800	Overseas listed foreign shares (H shares)	5,509,800
Explanation on repurchase dedicated account of the top ten Shareholders	The Company's repurchase dedicated account is not listed in the "Shareholdings of the top ten Shareholders". As at the end of the Reporting Period, the account held 10,441,768 repurchased A shares, accounting for approximately 0.30% of the issued share capital of the Company.		
Explanation on entrusting/being entrusted voting rights or waiving voting rights of the aforesaid Shareholders	Nil		
Explanation on the connected relationship or parties acting in concert among the aforesaid Shareholders	Nil		
Explanation on preference Shareholders with restored voting rights and their shareholdings	Nil		

## Report of the Board

- Notes: 1. HKSCC held a total of 1,073,807,863 H shares of the Company in the capacity of nominee on behalf of a number of customers, representing approximately 31.01% of the total 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 were also registered with HKSCC and were separately listed from the other shares held by HKSCC as nominee when disclosed in the table above. Taking into account the H shares held by JCC, HKSCC actually held a total of 1,382,264,863 H shares as nominee, representing approximately 39.92% of the issued share capital of the Company.

### Particulars of participation of Shareholders holding more than 5% of the shares, the top ten Shareholders and the top ten Shareholders of tradable shares not subject to lock-up in lending shares through refinancing

Unit: Share

Name of Shareholder (full name)	Number of shares held in general account and credit account at the beginning of the period		Shares lent and not returned through refinancing at the beginning of the period		Number of shares held in general account and credit account at the end of the period		Shares lent and not returned through refinancing at the end of the period	
	Total	Percentage	Total	Percentage	Total	Percentage	Total	Percentage
		(%)		(%)		(%)		(%)
Industrial and Commercial Bank of China Limited – Huaxia CSI 300 Open-ended Index Fund (中國工商銀行股 份有限公司－華夏滬深 300交易型開放式指數 證券投資基金)	2,130,169	0.06	118,400	0.0034	8,214,869	0.24	0	0
China Construction Bank Corporation Limited – E Fund CSI 300 Open- ended Initiated Index Fund (中國建設銀行股 份有限公司－易方達滬 深300交易型開放式指 數發起式證券投資基金)	2,829,068	0.08	70,400	0.0020	12,352,368	0.36	0	0
JCC	1,513,895,910	43.72	40,200	0.0012	1,525,778,110	44.06	0	0

## Report of the Board

Name of Shareholder (full name)	Number of shares held in general account and credit account at the beginning of the period		Shares lent and not returned through refinancing at the beginning of the period		Number of shares held in general account and credit account at the end of the period		Shares lent and not returned through refinancing at the end of the period	
	Total	Percentage	Total	Percentage	Total	Percentage	Total	Percentage
		(%)		(%)		(%)		(%)
Industrial and Commercial Bank of China Limited – Huatai-PB CSI 300 Open-ended Index Fund (中國工商銀行股 份有限公司－華泰柏瑞 滬深300交易型開放式 指數證券投資基金)	7,749,729	0.22	30,200	0.0009	17,879,829	0.52	0	0
Bank of China Corporation Limited – Harvest CSI 300 Open-ended Index Fund (中國銀行 股份有限公司－嘉實滬 深300交易型開放式指 數證券投資基金)	2,435,414	0.07	23,600	0.0007	7,782,314	0.22	0	0

### Changes to the top ten Shareholders and the top ten Shareholders of tradable shares not subject to lock-up as compared to the previous period due to lending/returning shares through refinancing

Not applicable

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

Not applicable

### Strategic investors or ordinary legal persons who become the top ten Shareholders due to the placement of new shares

Not applicable



## Report of the Board

### (III) Interests and Short Positions of Shareholders

As at 31 December 2024, the interests or short positions of the Shareholders, other than the Directors, Supervisors and chief executives of the Company, in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO or otherwise as notified to the Company were as follows:

Name of Shareholder	Class of shares	Capacity	Number of shares (Note 1)	Approximate percentage of the number of the relevant class of shares (%)	Approximate percentage of total issued shares (%)
JCC (Note 2)	A shares	Beneficial owner	1,205,479,110(L)	58.09(L)	34.81(L)
Jiangxi State-Owned Capital Operation Holdings Group Co. Ltd. (江西省國有資本運 營控股集團有限公司) (Note 2)	A shares	Interest of corporation controlled by you	1,205,479,110(L)	58.09(L)	34.81(L)
JCC (Notes 2 and 3)	H shares	Beneficial owner	320,299,000(L)	23.08(L)	9.25(L)
Jiangxi State-Owned Capital Operation Holdings Group Co. Ltd. (江西省國有資本運 營控股集團有限公司) (Notes 2 and 3)	H shares	Interest of corporation controlled by you	320,299,000(L)	23.08(L)	9.25(L)

Note 1: "L" means long positions in the shares.

Note 2: As at 31 December 2024, JCC was held as to 90% by Jiangxi State-Owned Capital Operation Holdings Group Co. Ltd.. As such, Jiangxi State-Owned Capital Operation Holdings Group Co. Ltd. was deemed to be interested in the shares interested by JCC.

Note 3: The 308,457,000 H shares held by JCC were registered with HKSCC.

Save as disclosed above, pursuant to the register required to be kept under section 336 of the SFO or otherwise notified to the Company, the Company had not been notified of any interests or short positions in the shares and underlying shares of the Company as at 31 December 2024.

# Report of the Board

## VI. PARTICULARS OF CONTROLLING SHAREHOLDER AND DE FACTO CONTROLLER

### (I) Particulars of controlling Shareholder

Name	Jiangxi Copper Corporation Limited
Person in charge or legal representative of the unit	Zheng Gaoqing
Establishment date	26 June 1979
Principal operations and businesses	Non-ferrous mines, non-metallic mines and products of smelted, pressed and processed non-ferrous metals, etc.
Equity interests in other domestic and overseas listed companies controlled and held during the Reporting Period	<ol style="list-style-type: none"><li>1. Shenzhen Nanfang Jiangxi Copper Co., Ltd. holds 4,507,786 A shares of Guotai Junan Securities Co., Ltd. (SSE stock code: 601211), accounting for 0.0005% of its total share capital;</li><li>2. Jiangxi Copper Corporation Qibaoshan Mine Co., Ltd. holds 4,598,000 A shares of Zhuzhou Smelter Group Co., Ltd. (SSE stock code: 600961), accounting for 0.51% of its total share capital.</li></ol>

#### 1. Change in controlling Shareholder during the Reporting Period

During the Reported Period, there was no change in controlling Shareholder.

## Report of the Board

2. Chart of ownership and controlling relationship between the Company and its controlling Shareholder



## Report of the Board

### (II) Particulars of de facto controller

Name	State-owned Assets Supervision and Administration Commission of Jiangxi Province
Person in charge or legal representative of the unit	Xiao Yun
Equity interests in other domestic and overseas listed companies controlled and held during the Reporting Period	<ol style="list-style-type: none"> <li>1. Indirectly holding via Jiangxi State-Owned Capital Operation Holdings Group Co. Ltd.: 226,520,000 shares in Jiangxi Salt Industry Group Co., Ltd. (SSE stock code: 601065), accounting for 35.24% of its total share capital; 271,071,486 shares in Jiangzhong Pharmaceutical Co., Ltd. (SSE stock code: 600750), accounting for 43.07% of its total share capital; 1,452,441,497 shares in Xinyu Iron &amp; Steel Co., Ltd. (SSE stock code: 600782), accounting for 46.17% of its total share capital;</li> <li>2. Indirectly holding via Jiangxi Military Industry Holding Group Co., Ltd.: 104,722,870 shares in Jiangxi Xinyu Guoke Technology Co., Ltd. (Shenzhen Stock Exchange stock code: 300722), accounting for 37.84 % of its total share capital; 295,936,220 shares in Jiangxi Guotai Group Co., Ltd. (SSE stock code: 603977), accounting for 47.64% of its total share capital.</li> </ol>

#### 1. Change in the Company's control during the Reporting Period

During the Reporting Period, there was no change in the Company's control.

## Report of the Board

2. Chart of ownership and controlling relationship between the Company and its de facto controller



## Report of the Board

### VII. CONTROLLING SHAREHOLDERS OR THE LARGEST SHAREHOLDER AND ITS PARTIES ACTING IN CONCERT WITH THE ACCUMULATED NUMBER OF SHARES PLEDGED ACCOUNTING FOR OVER 80% OF THE NUMBER OF SHARES OF THE COMPANY HELD BY THEM

Not applicable

### VIII. OTHER LEGAL PERSON SHAREHOLDERS WITH OVER 10% SHAREHOLDING

Save as disclosed in this report, as at the end of the Reporting Period, the Company had no other legal person Shareholders with over 10% shareholding.

### IX. PUBLIC FLOAT

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

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

#### Repurchase of A Shares

On 19 February 2024, the Company held the 28th meeting of the ninth session of the Board to consider and approve the Resolution of Jiangxi Copper Company Limited regarding the Repurchase of Shares through Centralised Price Bidding, approving the Company to repurchase A shares through centralised price bidding (the **"Share Repurchase"**), with a total amount of funds for the Share Repurchase of not less than RMB150 million and not more than RMB300 million. The price of the Share Repurchase shall not exceed RMB26 per share (inclusive). The purpose of the Share Repurchase is to safeguard the Company's value and Shareholders' interests.

On 17 May 2024, the Company completed the Repurchase, and has cumulatively repurchased 10,441,768 A Shares through centralised price bidding, accounting for 0.50% of the total A share capital of the Company (0.30% of the total A + H share capital of the Company), at the highest trading price of the purchase of RMB26.00 per share and the lowest trading price of the purchase of RMB21.85 per share. The total amount paid was RMB258,515,360.08 (excluding stamp duty, transaction commission, and other transaction fees).

## Report of the Board

All the A shares repurchased by the Company are deposited in the Company's repurchase dedicated securities account, and shall not have voting right at general meetings, and rights including profits distribution, conversion of capital reserves into share capital, subscription for new shares and convertible corporate bonds, and shall not be pledged or lent during the deposit period. The A shares repurchased by the Company shall be sold in accordance with the relevant regulations after 12 months from the disclosure of the implementation results of the Share Repurchase, and the sale shall be completed within 3 years from the disclosure of the implementation results of the Share Repurchase. If the Company is not able to complete the sale within the aforesaid period, the portion of the shares that have not been sold will be cancelled after fulfilling the relevant regulatory requirements and the procedures stipulated in the articles of association of the Company.

For further details, please refer to the Company's announcements dated 19 February 2024 and 20 May 2024, the overseas regulatory announcements dated 21 February 2024, 22 February 2024, 26 March 2024, 2 April 2024 and 6 May 2024 and the next day disclosure return dated 17 May 2024.

The monthly report on the Share Repurchase by the Company through the trading system of the Shanghai Stock Exchange during the Reporting Period is as follows:

Month	Number of shares repurchased <i>(shares)</i>	Highest trading price per share <i>(RMB)</i>	Lowest trading price per share <i>(RMB)</i>	Total amount paid <i>(RMB, excluding transaction fees)</i>
March 2024	2,282,000	23.37	21.85	51,276,950.00
April 2024	6,555,868	26.00	23.26	165,862,908.08
May 2024	1,603,900	26.00	25.22	41,375,502.00

Save as disclosed above, the Company or any of its subsidiaries has not repurchased, sold or redeemed any of the listed securities of the Company during the Reporting Period (including sale of treasury shares).

## XI. PRE-EMPTIVE RIGHTS

According to the Articles and the PRC laws, the Shareholders do not have pre-emptive rights which would oblige the Company to issue shares to them on a priority and pro-rata basis.



# Report of the Board

## XII. PARTICULARS OF DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND EMPLOYEES

### (I) Changes in shareholdings and remunerations of current Directors, Supervisors and senior management and those resigned during the Reporting Period

Unit: Share

Name	Position	Gender	Age	Commencement date of term of office	Termination date of term of office	Shares held at the beginning of the year	Shares held at the end of the year	Change in terms of increase or decrease in shares during the year	Reasons for change	Total remuneration receivable from the Company during the Reporting Period (before tax) (RMB 0'000)	Whether received remuneration from connected parties of the Company
Zheng Gaoqing	Chairman	Male	59	2020-09-09		0	0	/	/	117.05	No
	Executive Director			2019-03-22							
Zhou Shaobing	Deputy chairman	Male	55	2022-10-18		0	0	/	/	117.05	No
	Executive Director			2022-10-18							
	General Manager			2022-08-15							
Yu Minxin	Chief financial officer	Male	48	2024-06-07		0	0	/	/	39.02	No
	Executive Director			2024-07-10							
Gao Jian-min	Executive Director	Male	66	1997-01-24		0	0	/	/	25.00	No
Liang Qing	Executive Director	Male	72	2002-06-12		0	0	/	/	25.00	No
Wang Feng	Independent non-executive Director	Male	48	2021-06-08		0	0	/	/	15.00	No
Liu Shuying	Independent non-executive Director	Female	63	2024-06-06		0	0	/	/	7.50	No
Lai Dan	Independent non-executive Director	Female	48	2024-06-06		0	0	/	/	7.50	No
Zha Kebing	Supervisor	Male	56	2022-10-18		0	0	/	/	95.37	No
Zhao Bicheng	Supervisor	Male	36	2022-01-27		0	0	/	/	87.05	No
Gong Bin	Supervisor	Female	47	2022-01-27	2025-03-27	0	0	/	/	87.05	No
Li Si	Supervisor	Male	39	2023-06-09		0	0	/	/	79.86	No
Cai Lisi	Supervisor	Female	40	2024-06-06		0	0	/	/	36.06	No
Liao Xingeng	Deputy general manager	Male	59	2018-07-18		0	0	/	/	93.64	No
	Secretary to the Board			2024-12-06							

## Report of the Board

Name	Position	Gender	Age	Commencement date of term of office	Termination date of term of office	Shares held at the beginning of the year	Shares held at the end of the year	Change in terms of increase or decrease in shares during the year	Reasons for change	Total remuneration receivable from the Company during the Reporting Period (before tax) (RMB 0'000)	Whether received remuneration from connected parties of the Company
Tu Dongyang	Deputy general manager	Male	50	2021-03-18		0	0	/	/	93.64	No
Peng Xihong	Secretary to the Board			2021-05-28	2024-12-06						
Peng Xihong	Chief legal officer	Male	54	2021-05-28		0	0	/	/	93.64	No
Xia Hanjun	Deputy general manager	Male	43	2025-03-10		0	0	/	/	/	No
Tung Tat Chiu, Michael	Company secretary	Male	63	1997-01-24		0	0	/	/	5.00	No
Liu Fangyun (resigned)	Executive Director	Male	59	2020-06-10	2024-11-27	0	0	/	/	78.03	No
	Deputy general manager			2019-11-13	2024-11-27						
Yu Tong (resigned)	Chief financial officer	Male	53	2018-08-28	2024-04-23	0	0	/	/	31.21	No
	Executive Director			2019-01-15	2024-04-23						
Liu Xike (resigned)	Independent non-executive Director	Male	51	2018-06-12	2024-06-06	0	0	/	/	7.50	No
Zhu Xingwen (resigned)	Independent non-executive Director	Male	63	2019-01-15	2024-06-06	0	0	/	/	7.50	No
Li Shuidi (resigned)	Independent non-executive Director	Male	71	2022-10-18	2024-10-09	0	0	/	/	12.50	No
Liu Guobiao (resigned)	Supervisor	Male	58	2022-10-18	2024-06-06	0	0	/	/	43.53	No
Chen Yunian (resigned)	Deputy general manager	Male	61	2017-10-23	2024-04-26	0	0	/	/	31.21	No
Jiang Wenbo (resigned)	Deputy general manager	Male	56	2021-03-18	2024-11-27	0	0	/	/	78.03	No
Total	/	/	/	/	/	0	0	/	/	1,313.94	/

## Report of the Board

Name	Major work experience
Zheng Gaoqing	Mr. Zheng is currently the secretary to the party committee, an executive Director and the Chairman. He has postgraduate academic qualifications with a master's degree in business management. He served successively as a technician, assistant engineer and engineer of Jiangxi Optical Instrument Factory* (江西光學儀器廠); a cadre of Shangrao County Economic Commission of Jiangxi Province* (江西上饒縣經委), the deputy director and deputy secretary of the Second Light Bureau* (二輕局), deputy director of the Power Supply Bureau* (供電局), concurrently served as the chairman and general manager of Jiangxi Hexing Electronics Co., Ltd.* (江西和興電子有限公司); the chairman and general manager of Jiangxi Shangrao Ganxing Electronics Co., Ltd.* (江西上饒贛興電子有限公司); the director of Shangrao County Handicraft Association* (上饒縣手工聯社), the general manager of Great Wall Enterprise Group* (長城企業集團); concurrently served as secretary to the party committee of Shangrao County Second Light General Corporation* (上饒縣二輕總公司); the deputy magistrate of the Poyang County Government of Jiangxi Province, a member of the standing committee of the county party committee, the executive deputy magistrate; the deputy secretary of the municipal party committee and mayor of Dexing City; the secretary of the party committee of Wannian County; a member of the party committee and deputy manager of the State-owned Assets Supervision and Administration Commission of Jiangxi Province. He has extensive experience in management.
Zhou Shaobing	Mr. Zhou is currently the deputy secretary to the party committee, an executive Director, the deputy chairman and the general manager of the Company, with a bachelor's degree. He served as the head of the mining site of Dexing Copper Mine, the chief engineer of Dexing Copper Mine, the head of the mining site of Chengmenshan Copper Mine, and a deputy general manager of the Company, and the secretary of the party committee and chairman of Jiangxi Tungsten Holding Group Co., Ltd.* (江西鎢業控股集團有限公司).

## Report of the Board

Name	Major work experience
Yu Minxin	Mr. Yu is currently a member of the party committee, an executive Director and the chief financial officer of the Company. He graduated from the School of Accounting of Jiangxi University of Finance and Economics* (江西財經大學) with postgraduate qualification. He is a certified public accountant and a senior accountant. He served as the manager of the finance department of Jiangxi Provincial State-owned Enterprise Assets Operation (Holdings) Co., Ltd.* (江西省省屬國有企業資產經營(控股)有限公司), the chief financial officer of Jiangxi Provincial Expressway Investment Group Co., Ltd.* (江西省高速公路投資集團有限責任公司) and the chief financial officer of Jiangxi Provincial Communications Investment Group Co., Ltd.* (江西省交通投資集團有限責任公司).
Gao Jian-min	Mr. Gao graduated from Tsinghua University. He has been a Director since the Company's incorporation. He is currently the chairman of Silver Grant Group (HK) Limited, and served as a director and the general manager of Silver Grant International Holdings Group Limited, a director of Qingling Motors Co., Ltd. and the vice chairman of Oshidori International Holdings Limited. He has extensive experience in finance, industrial investment and development.
Liang Qing	Mr. Liang has been appointed as a Director since June 2002. He currently serves as an independent non-executive director of Silver Grant International Holdings Group Limited and Sinotruk (Hong Kong) Limited. He served as the vice chairman and general manager of China Minmetals H.K. (Holdings) Limited. He has extensive experience in international trading and investment.
Wang Feng	Mr. Wang is a Ph.D., graduated from Peking University majoring in corporate management. He is currently the chairman of Beijing He Jun Consulting Limited* (北京和君諮詢有限公司), the chairman of He Jun Consulting of He Jun Group Limited* (和君集團有限公司和君諮詢), the associate dean and senior partner of He Jun Business School* (和君商學院).

## Report of the Board

Name	Major work experience
Liu Shuying	Ms. Liu has a university degree. She is a Class-C top talent of Nanchang City, an expert in the talent pool of the PRC and Jiangxi Province and a professor-level senior engineer. She served as a vice president of Jiangling Motors Co., Ltd.* (江鈴汽車股份有限公司), concurrently as the secretary to the party committee of product research and development and the dean of the vehicle engineering research and development institute of Jiangling Motors Co., Ltd.* (江鈴汽車股份有限公司). She has extensive experience in management.
Lai Dan	Ms. Lai is a professor and currently serves as the executive dean of the Energy and Metal Industry Research Institute* (能源金屬產業研究院) at Gannan University of Science and Technology* (贛南科技學院), concurrently as the vice chairman of the Accounting Professional Committee of the China Non-ferrous Metals Society* (中國有色金屬學會會計專業委員會). She served as the executive dean of the Non-ferrous Metals Industry Development Research Institute* (有色金屬產業發展研究院) at Jiangxi University of Science and Technology* (江西理工大學).
Zha Keping	Mr. Zha currently serves as the assistant to the general manager and the general manager of the strategy and investment department of the Company. He is a senior engineer with a postgraduate degree. He served as the head of the mining site of Dexing Copper Mine, a member of the party committee and the head of the mining site of Chengmenshan Copper Mine, and the deputy chief engineer of JCC.
Zhao Bicheng	Mr. Zhao is currently the executive vice chairman of the labour union of the Company and has a bachelor's degree. He had worked for Jiangxi Provincial Fire Brigade, and served as the deputy secretary and director of the discipline inspection office of the discipline inspection committee of Jiangxi Provincial State-owned Enterprise Assets Operation (Holdings) Co., Ltd.* (江西省省屬國有企業資產經營(控股)有限公司).

## Report of the Board

Name	Major work experience
Gong Bin	Ms. Gong is currently the deputy secretary of the disciplinary committee and the director of the inspection office of the party committee of the Company, and has a bachelor's degree. She served as the deputy director of the television station and the deputy secretary of the youth league committee of the Company, and the secretary of the disciplinary committee of Dexing Copper Mine and the processing division of the Company.
Li Si	Mr. Li is currently the general manager of the legal affairs and risk control department of the Company, and has a postgraduate degree.
Cai Lisi	Ms. Cai is currently the deputy general manager (leading role) of the audit department of the Company. She has a postgraduate degree and is senior economist. She served as the customer manager of the credit department, the manager of the general department, the manager of the business department and the manager of the financial market department of JCC Finance Company Limited* (江西銅業集團財務有限公司) and an assistant to the general manager of the audit department of the Company.
Liao Xingeng	Mr. Liao is currently a member of the party committee, a deputy general manager of the Company, the secretary to the Board and a senior engineer. He graduated from the Southern Institute of Metallurgy majoring in non-ferrous metallurgy. He graduated with a master's degree in business administration from Nanchang University. He served as the chairman of Jiangxi Rare Earth Metal Tungsten Industry Group Import and Export Co., Ltd.* (江西稀有稀土金屬鎢業集團進出口有限公司), the assistant to the general manager and deputy general manager of Jiangxi Rare Metal Tungsten Holding Group Co., Ltd.* (江西稀有金屬鎢業控股集團有限公司) and the deputy general manager of Jiangxi Tungsten Industry Holding Group Co., Ltd.* (江西鎢業控股集團有限公司). He has rich experience in administrative management.

## Report of the Board

Name	Major work experience
Tu Dongyang	Mr. Tu is currently a member of the party committee and a deputy general manager of the Company. He is a Ph.D. in economics. He successively worked for the People's Bank of China, insurance institutions, and financial regulatory authorities. He served as the director of the personal insurance supervision division, and the director of the office (consumer rights protection division) of the Xiamen Supervision Bureau of the former China Insurance Regulatory Commission, the director of the supervising division of foreign investment institutions of Xiamen Supervision Bureau of China Banking and Insurance Regulatory Commission*, a first-level researcher, and the assistant to the general manager of the Company (temporary post).
Peng Xihong	Mr. Peng is currently the chief legal officer of the Company, and graduated from East China University of Political Science and Law with a master of laws. He served as the head of the Civil Adjudication Tribunal No.3, head of the Criminal Adjudication Tribunal and a member of the tribunal committee of the People's Court of Donghu District, Nanchang City, Jiangxi Province. He served as the deputy director and the director (general manager) of the legal affairs department of Jiangxi Investment Group Co., Ltd.* (江西省投資集團有限公司) and the director of the legal affairs department of the enterprise management department of Jiangxi Military Industry Holding Co., Ltd.* (江西省軍工控股集團有限公司).
Xia Hanjun	Mr. Xia is currently the deputy general manager of the Company, with a postgraduate degree. He served as the deputy section manager of the foreign economic management section of the foreign economic cooperation department of the Company, the public relations manager of the general manager's office of the Company, the deputy head and head of the general manager's office of the Company, and the secretary of the Party Committee and president of the trading business department of the Company.
Tung Tat Chiu, Michael	Mr. Tung is currently the Hong Kong legal adviser of the Company and the senior partner of Tung & Co.. He holds a bachelor of arts degree in law and accounting from the University of Manchester, the United Kingdom. He has over 30 years of experience as a practicing lawyer in Hong Kong. He joined the Company in January 1997. He is also the company secretary of a number of companies listed in Hong Kong.



## Report of the Board

### (II) Positions held by current Directors, Supervisors and senior management and those resigned during the Reporting Period

#### 1. Positions held in Shareholder entities

Name	Name of Shareholder entities	Position held in the Shareholder entities	Term start date	Term end term
Zheng Gaoqing	JCC	Secretary to the party committee	2020-08-31	
		Chairman	2020-09-21	
Li Si	JCC	Supervisor	2020-04-30	
Zhao Bicheng	JCC	Supervisor	2022-02-28	
Chen Yunian	Jinrui Futures Co., Ltd.	Supervisor	2021-02-01	2024-01-24
Liu Fangyun	Jiangxi JCC High Precision Copper Plate and Strip Co., Ltd.	Chairman	2023-09-05	2024-05-15
Zha Kebing	Jiangxi Copper Engineering Magazine Co., Ltd.	Executive director, legal representative	2021-03-09	2024-06-03
Explanation on positions held in Shareholder entities	Nil			

#### 2. Positions held in other entities

Name	Name of other entities	Position held in other entities	Term start date	Term end term
Zha Kebing	Minmetals Jiangxi Copper Mining Investment Company Limited	Director	2014-01-26	
Gao Jian-min	Silver Grant Group (HK) Limited	Chairman	2019-09-02	
Liu Xike	Jiangxi Financial Development Group Shareholding Co., Ltd.	Director, general manager	2016-06-01	
Zhu Xingwen	The School of Accounting of the Jiangxi University of Finance and Economics	Professor		
Wang Feng	Beijing He Jun Consulting Limited	Chairman		
	He Jun Business School	Associate dean		
	Yonyou Network Technology Co., Ltd.	Independent director	2020-04-20	
Lai Dan	Energy and Metal Industry Research Institute at Gannan University of Science and Technology	Executive dean		
	Ganzhou Tengyuan Cobalt New Material Co., Ltd.	Independent director	2024-05-14	
Explanation on positions held in other entities	Nil			

## Report of the Board

### (III) Remuneration of Directors, Supervisors and senior management

Procedures for determining remuneration of Directors, Supervisors and senior management	The remuneration plans for the Directors and senior management are formulated by the remuneration committee of the Company and submitted to the Board for consideration. The remuneration of the Supervisors is considered by the Supervisory Committee.
Whether the Directors recuse themselves from discussions on their own remuneration at the Board meetings	Yes
Details of recommendations made by the remuneration and appraisal committee or the specialised meeting of the independent Directors on matters relating to the remuneration of the Directors, Supervisors and senior management	None
Basis for determining remuneration of Directors, Supervisors and senior management	Remuneration of the Directors, Supervisors and senior management consists of base salary and performance salary, among which performance salary is calculated based on base salary and calculated and extracted based on the appraisal results of the annual performance of the Directors, Supervisors and senior management. Remuneration for the independent Directors is determined according to the annual allowances.
Actual payment of remuneration to Directors, Supervisors and senior management	During the Reporting Period, the total remuneration payable to the Directors, Supervisors and senior management amounted to RMB13.1394 million.
Total remuneration received by Directors, Supervisors and senior management as at the end of the Reporting Period	During the Reporting Period, the Directors, Supervisors and senior management received a total actual remuneration of RMB13.1394 million.

## Report of the Board

### (IV) Changes in Directors, Supervisors and senior management

Name	Position held	Change	Reason for change
Zheng Gaoqing	Director, Chairman	Elected	Rotation
Zhou Shaobing	Director, deputy chairman	Elected	Rotation
Yu Minxin	Chief financial officer	Appointed	Job transfer
	Director	Elected	Job transfer
Yu Tong	Chief financial officer, Director	Resigned	Job transfer
Liu Fangyun	Director	Resigned	Job transfer
Gao Jian-min	Director	Appointed	Rotation
Liang Qing	Director	Appointed	Rotation
Liu Xike	Independent Director	Resigned	Expiration of the term of office
Zhu Xingwen	Independent Director	Resigned	Expiration of the term of office
Li Shuidi	Independent Director	Resigned	Personal reason
Wang Feng	Independent Director	Elected	Rotation
Liu Shuying	Independent Director	Elected	Rotation
Lai Dan	Independent Director	Elected	Rotation
Zha Kebing	Supervisor, chairman of the Supervisory Committee	Elected	Rotation
Gong Bin	Supervisor	Elected	Rotation
Zhao Bicheng	Supervisor	Elected	Rotation
Li Si	Supervisor	Elected	Rotation
Cai Lisi	Supervisor	Elected	Rotation
Liu Guobiao	Supervisor	Resigned	Rotation
Chen Yunian	Deputy general manager	Resigned	Retirement
Jiang Wenbo	Deputy general manager	Resigned	Job transfer
Liao Xingeng	Secretary to the Board	Appointed	Job change
Tu Dongyang	Secretary to the Board	Resigned	Job change

Ms. Lai Dan and Ms. Liu Shuying were elected as independent non-executive Directors at the 2024 annual general meeting of the Company held on 6 June 2024, both of whom have obtained the legal advice as referred to in Rule 3.09D of the Listing Rules on 3 June 2024 and have confirmed that they were aware of the responsibilities as Directors.

Mr. Yu Minxin was appointed as an executive Director at the extraordinary general meeting of the Company held on 10 July 2024 and he has obtained the legal advice as referred to in Rule 3.09D of the Listing Rules on 8 July 2024 and has confirmed that he was aware of the responsibilities as a Director.

## Report of the Board

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**(V) Explanation on punishments imposed by securities regulatory institutions in the recent three years**

Not applicable

**(VI) Directors' and Supervisors' service contracts**

Pursuant to provisions of the Articles, the term of office of the Chairman and other Directors (including non-executive Directors) is three years (commencing from the date of their appointment or re-election) and they are eligible for re-election and reappointment. Under the Company Law, the term of office of Supervisors is also three years and they are eligible for re-election and re-appointment.

None of the Directors or Supervisors has a service contract with the Company which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

**(VII) Permitted indemnity provisions**

During the Reporting Period and as at the date of this report, there was or is no permitted indemnity provision being in force for the benefit of the Directors or Supervisors (whether made by the Company or otherwise), nor was or is there any permitted indemnity provision being in force for the benefit of the directors or supervisors of an associated corporation of the Company (if made by the Company).

## Report of the Board

### (VIII) Interests of Directors, Supervisors and chief executives in shares

As at 31 December 2024, none of the Directors, Supervisors or chief executives of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company or any associated corporation as recorded in the register of the Company required to be kept under section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

### (IX) Directors' and Supervisors' interests in competing business or other interests in material transactions, arrangements or contracts

During the Reporting Period and as at the date of this report, none of the Directors or Supervisors had any interest in any business which competes or may compete with the business of the Company.

Except for the transactions disclosed in "XIII. Material Connected Transactions" under the "Significant Events" section of this report, as at 31 December 2024 or at any time during the Reporting Period, none of the Company or its subsidiaries entered into any material transactions, arrangements or contracts in which any of the Directors or Supervisors or any entities connected with them was either directly or indirectly materially interested.

### (X) Employee of the parent company and major subsidiaries as at the end of the Reporting Period

#### 1. Employee

Number of in-service employees in the parent company	11,160
Number of in-service employees in major subsidiaries	15,209
Total number of in-service employees	26,369
Number of retired employees for whom the parent company and major subsidiaries shall be liable to expenses	0

#### Specialty composition

Specialty composition category	Specialty composition headcount
Production staff	18,216
Sales staff	303
Technician staff	3,321
Finance staff	463
Administration staff	4,066
Total	26,369

# Report of the Board

## Education level

Education level category	Headcount
Doctorate	275
Postgraduate	1,014
Undergraduate	6,137
Junior college	5,847
Technical secondary	1,775
Technical school	2,534
High school and below	8,787
Total	26,369

## 2. Remuneration policies

In 2024, the Company followed the implementation of a position-performance remuneration mechanism and based on the principle of rewards by efforts, made remuneration distribution according to value of position, work skill set and performance. Employee remuneration mainly including position salaries, performance salaries and other welfare, which was released based on appraisal with reference to the operating performance of the Company and management responsibilities, etc.

## 3. Training plan

In 2024, the Company adhered to the strategy of “strengthening the enterprise with talents”, deepened the reform of the Company’s training management system and operation mechanism, built talent advantages and core competitiveness that supported the Company’s strategic development, further improved the Company’s training management related systems, promoted training work to meet actual work needs, and established a sound long-term training management mechanism. In accordance with the Company’s organisation adjustment and actual training situation, the Company continuously optimised the training management system, deepened the construction of self training and evaluation system for skilled talents, improved the talent cultivation mechanism and consolidated the foundation of three talent teams of management, technology and skills to continuously enhance the guarantee ability of talents for the sustainable development of the Company. In 2024, a total of 19,202 employees participated in trainings, with 122,919 times of training participation and a total training time of 1,966,704 hours.

## 4. Labour outsourcing

Not applicable

## Report of the Board

### XIII. PLAN OF PROFIT DISTRIBUTION OR CONVERSION OF CAPITAL RESERVE TO SHARE CAPITAL

#### (I) Formulation, implementation or adjustment of cash dividend policy

1. Profit distribution principle: the Company distributes dividend annually. It may distribute interim or special dividend provided that it is in compliance with the Articles. The dividend distribution policy of the Company shall maintain certain continuity and steadiness, and shall be in compliance with relevant regulatory requirements which may be amended from time to time.
2. Profit distribution form: the Company distributes dividend by ways of cash, shares or a combination of cash and shares, and the distribution method of cash dividend will be preferred.
3. Profit distribution plan: Under the conditions that the Company's accumulated distributable profit is positive, the Company is profitable for the year, the cash can satisfy ordinary production and operation of the Company, earnings per share for the year is above RMB0.01, and the cash dividend per share is above RMB0.01, no less than 10% of the distributable profit realised for the year shall be distributed in cash each year. The accumulated distributed profit in cash for the last three years shall be no less than 30% of the average annual distributable profit for the last three years.
4. The profit distribution plan formulated by the Board shall obtain approvals from over half of all the independent Directors, and shall be submitted to the general meeting of the Company for approval after being considered and approved by the Board. The general meeting of the Company should communicate with minority Shareholders and obtain opinions from minority Shareholders fully while considering the cash dividend plan.
5. Should the Company recorded profit but the Board have not made any cash dividend proposal, reasons why cash dividend proposals have not been made and the usage of funds not used for dividends retained in the Company shall be disclosed in the periodic reports. Independent Directors shall express independent opinions to such matter.



## Report of the Board

The Board hereby recommends that after the approval of the Shareholders at the forthcoming 2024 annual general meeting of the Company to:

- (1) appropriate 10% of the profit after tax calculated under the PRC GAAP to the statutory surplus reserve;
- (2) distribute a final dividend of RMB7 per 10 shares (tax inclusive) for the year ended 31 December 2024 (2023: RMB6 per 10 shares) to all Shareholders based on 3,452,287,637 shares, namely the total issued share capital of 3,462,729,405 shares as at 27 March 2025 deducting 10,441,768 A shares in the Company's repurchase dedicated securities account, amounting to approximately RMB2,416,601,345.90 (tax inclusive), accounting for 34.71% of the net profit attributable to Shareholders for the year of 2024. The remaining undistributed profits are carried down to the next year. If, during the period between the date of disclosure of the results announcement for the year ended 31 December 2024 to the record date for entitlement distribution, the total share capital of the Company changes, the total distribution amount shall be adjusted based on the total share capital on the record date for future implementation of the distribution plan deducted by the number of shares in the repurchase dedicated securities account, in accordance with the principle that the distribution amount per share shall remain unchanged;
- (3) The A shares 2024 final dividend will be declared and paid in Renminbi, and the H shares 2024 final dividend will be declared in Renminbi and paid in Hong Kong dollars; and
- (4) The profit distribution will not carry out conversion of capital reserve to share capital or issue of bonus shares.

### (II) Special explanation on cash dividend policy

Whether in compliance with the provisions of the Articles or the general meeting resolution requirements	Yes
Whether the basis and ratio of dividends are specific and clear	Yes
Whether the relevant decision making procedure and mechanism are sound	Yes
Whether the independent Directors have duly performed their duties and functions	Yes
Whether there are sufficient opportunities for minority Shareholders to express their opinions and concerns, and whether their legitimate interests are fully protected	Yes

### (III) If the Company recorded profits and positive distributable profit of the parent company to Shareholders during the Reporting Period but no cash dividend proposals have been made, the Company shall disclose reasons and the usage and usage plan of undistributed profits in detail

Not applicable

## Report of the Board

### (IV) Other Explanations

#### **Withholding and Payment of Enterprise Income Tax for Non-resident Enterprise Shareholders**

Pursuant to the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) and the relevant implementing rules which came into effect on 1 January 2008 and the Notice of Issues concerning Withholding and Payment of Enterprise Income Tax on Dividends Distributed by Chinese Resident Enterprises to Overseas H Share Holders Which are Non-resident Enterprise Shareholders (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》) issued by the State Administration of Taxation on 6 November 2008, the Company is required to withhold and pay the enterprise income tax at the rate of 10% before distributing the final dividend to non-resident enterprise Shareholders as appearing on the H share register of members of the Company. Any shares registered in the names of non-individual Shareholders (including in the names of HKSCC, other nominees or trustees or other entities and organisations) will be deemed as shares held by non-resident enterprise Shareholders and will therefore be subject to the withholding of the enterprise income tax.

#### **Withholding and Payment of Individual Income Tax for Individual H Shareholders**

Pursuant to the State Administration of Taxation Notice on Issues concerning the Levy and Administration of Individual Income Tax after the Repeal of Guo Shui Fa [1993] No. 045 (Guo Shui Han [2011] No. 348)(《國家稅務總局關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》(國稅函[2011]348號)) issued by the State Administration of Taxation on 28 June 2011, and the letter entitled "Tax Arrangements on Dividends Distributed to Hong Kong Residents by Mainland Companies" issued by the Stock Exchange on 4 July 2011, the Company is required to withhold and pay the individual income tax when distributing the 2024 final dividends to the individual H Shareholders (the "**Individual H Shareholders**"), as a withholding agent on behalf of the same. However, the Individual H Shareholders may be entitled to certain tax preferential treatments pursuant to the tax treaties between the PRC and the countries (regions) in which the Individual H Shareholders are domiciled and the tax arrangements between Mainland China and Hong Kong (Macau).

Pursuant to the aforesaid tax regulations, when the 2024 final dividend is to be distributed to the H Shareholders whose names appear on the register of members of the Company as at 20 June 2025, the Company will withhold 10% of the dividend to be distributed to the Individual H Shareholders as individual income tax at the tax rate of 10%. For non-resident enterprise H Shareholders, the Company will still withhold and pay enterprise income tax from their dividends at the tax rate of 10% according to the relevant tax regulations.

## Report of the Board

If the Shareholders' names appear on the H share register of members, please refer to the nominees or trust organisations for details of the relevant arrangements. The Company has no obligation and shall not be responsible for confirming the identities of the Shareholders, and will strictly withhold and pay the enterprise income tax and individual income tax on behalf of the relevant Shareholders based on the H share register of members of the Company as at 20 June 2025. The Company will not accept any requests relating to any delay or uncertainties in confirming the identities of the Shareholders.

Pursuant to the relevant provisions of the Notice on the Tax Policies concerning the Pilot Program of the Shanghai-Hong Kong Stock Connect (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)), for dividends received by mainland individual investors from investing in H shares listed on the Stock Exchange through Shanghai-Hong Kong Stock Connect, the company of such H shares shall withhold and pay individual income tax at the rate of 20% on behalf of those investors. For dividends received by mainland securities investment funds from investing in H shares listed on the Stock Exchange through Shanghai-Hong Kong Stock Connect, the tax payable shall be the same as that for mainland individual investors. The company of such H shares will not withhold, and pay the income tax on dividends on behalf of mainland enterprise investors, and the tax payable shall be declared and paid by those enterprise investors themselves.

Pursuant to the relevant provisions of the Notice on the Tax Policies Concerning the Pilot Program of the Shenzhen-Hong Kong Stock Connect (Cai Shui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)), for dividends received by mainland individual investors from investing in H shares listed on the Stock Exchange through Shenzhen-Hong Kong Stock Connect, the company of such H shares shall withhold and pay individual income tax at the rate of 20% on behalf of those investors. For dividends received by mainland securities investment funds from investing in H shares listed on the Stock Exchange through Shenzhen-Hong Kong Stock Connect, the tax payable shall be the same as that for mainland individual investors. The company of such H shares will not withhold and pay the income tax on dividends on behalf of domestic enterprise investors, and the tax payable shall be declared and paid by those mainland enterprise investors themselves.

Should the H Shareholders have any questions in relation to the aforesaid arrangements, they are recommended to consult their tax advisors regarding the relevant tax implications in mainland China, Hong Kong and other countries (regions) of the possession and disposal of H shares of the Company.

## Report of the Board

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### **XIV. EQUITY-LINKED AGREEMENT**

The Company did not enter into any equity-linked agreement during the Reporting Period.

### **XV. DONATIONS**

Details of the Group's donations are set out on pages 180-181 under the "Significant Events" section of this report.

### **XVI. DISTRIBUTABLE RESERVE**

Based on the calculation in accordance with the applicable laws and regulations of the PRC, the place of incorporation of the Company, the Company's distributable reserve as at 31 December 2024 amounted to approximately RMB74,741,449,000 (2023: RMB63,959,319,000).

### **XVII. MANAGEMENT CONTRACTS**

During the Reporting Period, the Company did not enter into any contract in respect of the management or administration of the whole or any substantial part of the business, nor did any such contract exist.

# Report of the Supervisory Committee

## 2024 WORK REPORT OF THE SUPERVISORY COMMITTEE

The Supervisory Committee exercised powers in accordance with the provisions of the Company Law and the Articles and inspected and supervised the financial management, internal control system, implementation of resolutions of general meetings, business decision making, decision making of the Board and management, and business activities of the Company during the Reporting Period, and expressed opinions on the following matters:

1. Legal operation of the Company: During the Reporting Period, in accordance with the relevant provisions of the Company Law and the Articles, the Company supervised the convening procedures and resolutions of the general meetings and Board meetings of the Company, the implementation of the resolutions of the general meetings by the Board, the integrity and diligence of Directors and the senior management in 2024. The Supervisory Committee is of the view that the decision-making procedures of the Company are legal and operate in strict accordance with the internal control system, and there was no misappropriation of funds of the Company by connected parties and guarantee provided in violation of regulations. External guarantees provided by the Company: as at 31 December 2024, Heding Copper, a subsidiary of the Company, provided guarantee with a balance of RMB717 million for Fuye Group, and Fuye Group provided a counter-guarantee in favour of Heading Copper in respect of the aforesaid guarantee.

Save as disclosed above, the Company did not provide any guarantees to its substantial Shareholders and subsidiaries of the substantial Shareholders. There was no misappropriation of funds for non-operation purpose between the Company and the substantial Shareholders and subsidiaries of the substantial Shareholders. When performing official duties, the Directors and senior management earnestly fulfilled their obligations of integrity and diligence, without violating laws, administrative regulations, the Articles, or activities that would damage the interests of the Company.

2. Financial inspection of the Company: The Supervisory Committee duly reviewed the periodic reports of the Company and effectively supervised the 2024 financial position and financial structure of the Company. The Supervisory Committee is of the view that the financial position of the Company is performing well and there are no major risks. The Supervisory Committee is of the view that the audited 2024 financial report of the Company prepared in accordance with the PRC GAAP and the IFRSs reflects the financial position and operating results of the Company in an objective, fair and true manner.

## Report of the Supervisory Committee

3. During the Reporting Period, there was no material asset acquisition and disposal and no damage to Shareholders' interests or dissipation of the Company's assets.
4. During the Reporting Period, the procedures for entering into connected transactions complied with the requirements of the Listing Rules. The disclosure of connected transactions was timely and sufficient. The implementation of connected transaction contracts reflected the principle of justice and fairness, and there was no activity that harmed the interests of Shareholders or the Company.
5. Internal control of the Company: The Supervisory Committee duly reviewed the Evaluation Report on Internal Control of Jiangxi Copper Company Limited. The Supervisory Committee is of view that the Company has established a relatively sound internal control system which could be effectively implemented. The Evaluation Report on Internal Control of Jiangxi Copper Company Limited completely, truly, accurately and objectively reflected the actual situation of the internal control of the Company, and the Supervisory Committee had no objection to the above evaluation report.
6. During the Reporting Period, information disclosure of the Company was in compliance with the regulatory requirements of domestic and overseas listing venues, and the information disclosure management system and business processes of the Company were able to operate effectively.

In summary, in 2025, the Supervisory Committee will continue to perform its duties faithfully in strict accordance with the Company Law, the Articles and the relevant laws and regulations of the PRC, effectively supervise the Board and senior management in their performance of daily duties in accordance with the laws, actively attend the general meetings and Board meetings, keep abreast of the Company's financial position, be aware of and supervise the lawfulness and compliance of all major decision-making matters and their implementation procedures, and further improve the level of standardised operation of the Company.



# Internal Control

## I. RESPONSIBILITY STATEMENT OF INTERNAL CONTROL AND ESTABLISHMENT OF INTERNAL CONTROL SYSTEM

According to the requirements of the Standard System for Enterprise Internal Control, it is the responsibility of the Board to establish and effectively implement internal control, and evaluate its effectiveness and truthfully disclose the evaluation report on internal control. The Supervisory Committee supervises the establishment and implementation of internal control by the Board. The management is responsible for organising and leading the daily operation of enterprise internal control.

The Board, Supervisory Committee and Directors, Supervisors and senior management of the Company warrant that there are no false representations, misleading statements or material omissions in this report, and accept joint and several responsibilities for the truthfulness, accuracy and completeness of the content of this report.

The objectives of the Company's internal control are reasonable assurance of operation and management being in compliance with laws and regulations, asset safety, truthfulness and completeness of financial report and relevant information, improvement of operation efficiency and results, as well as promotion of realisation of development strategies. Due to inherent limitations of internal control, it can only provide reasonable assurance for the achievement of the above objectives. In addition, changes in circumstances may lead to unsuitability of internal control or reduction of the level of adherence of control policies and procedures, thus there are certain risks in assessing the effectiveness of future internal control with the evaluation results of internal control.

### (I) Conclusion on evaluation of internal control

According to the identification of material deficiencies of internal control in the financial reporting of the Company, as at the basis date of the internal control evaluation report, there were no material deficiencies of internal control in the financial reporting. The Board is of the view that the Company has maintained effective internal control in the financial reporting in all material respects in accordance with the requirements of the Standard System for Enterprise Internal Control and the relevant regulations.

According to the identification of material deficiencies of internal control in the non-financial reporting of the Company, as at the basis date of the internal control evaluation report, the Company was not aware of any material deficiencies of internal control in non-financial reporting.

There were no factors affecting the conclusion on the evaluation of effectiveness of internal control from the basis date of the internal control evaluation report to the issue date of the internal control evaluation report.



# Internal Control

## (II) Evaluation of internal control

### 1. Evaluation scope of internal control

The Company determined to include major units, business and matters as well as high-risk fields into the evaluation scope pursuant to the risk-oriented principle.

#### 1. *Major units included in the evaluation scope include:*

The Company, Humon Smelting, Yinshan Mining, Jiangxi Copper International Trade Company Limited, Jiangxi Copper (Shenzhen) International Investment Holding Co., Ltd, Jiangxi Copper Products Company Limited, JCC Copper Products Company Limited, JCC Taiyi, JCC Longchang, Jiangxi Copper North China (Tianjin) Copper Co., Ltd., Jiangxi Cable, JCC Finance Company Limited, JCC Geology Exploration Company Limited, Jiangxi Copper Technical Institution Co., Ltd., Jiangxi Copper Construction Supervision Consulting Company Limited, Thermonamic Electronics (Jiangxi) Corp., Ltd., Jiangxi Copper (Hong Kong) Investment Company Limited, Jiangxi Copper Hong Kong Company Limited, Jiangxi Jiangtong-Wengfu Chemical Engineering Company Limited, Jiangxi Copper Dexing Chemical Company Limited, JCC (Dexing) Casting Company Limited, JCC Hongyuan, Jiangxi Copper Recycling Resources Company Limited, JCC (Guixi) New Metallurgical and Chemical Technologies Company Limited, JCC Logistics Company Limited, JCC (Ruichang) Casting Company Limited, JCC (Qianshan) Mineral Processing Pharmaceuticals Company Limited, Jiangxi Copper (Qianshan) Photovoltaics Company Limited, JCC Guixi Recycling Resources Company Limited, JCC Construction Company Limited and JCC Guoxing, etc.

## Internal Control

### 2. *Percentage of the units included in the evaluation scope:*

Indicator	Percentage (%)
Percentage of the total assets of the units included in the evaluation scope accounting for the total assets shown in the Company's consolidated financial statements	94.54
Percentage of the total revenue of the units included in the evaluation scope accounting for the total revenue shown in the Company's consolidated financial statements	99.81

### 3. *Major business and matters included in the evaluation scope include:*

Internal environment (organisational structure, development planning, human resources, corporate culture, social responsibility), risk assessment, information and communication, internal supervision, procurement management, sales management, capital activity management, financial reporting management, asset management, production and inventory management, contract management, investment management, engineering project management, financial derivatives management, information system management, comprehensive budget management, research and development management, etc.

### 4. *High-risk areas of focus mainly include:*

Marketing and trading business, financial derivative business (futures, forward foreign exchange), financial investment business, engineering management, inventory management, asset management, external investment business.

The above units, business and matters, as well as high-risk areas included in the evaluation scope, covered the Company's major aspects of operation and management. There is no material omission.

## Internal Control

### 2. Basis of internal control evaluation and criteria for identification of deficiencies in internal control

The Company organises and carries out internal control evaluation in accordance with the Enterprise Internal Control Evaluation Guideline, the Administrative Measures for Risk Management and Internal Control of Jiangxi Copper Company Limited (2022 Version) and the 2024 Internal Control Evaluation Implementation Plan of Jiangxi Copper Company Limited.

According to the requirements of Standard System for Enterprise Internal Control for the identification of material deficiencies, major deficiencies and general deficiencies, combined with the Company's size, industry characteristics, risk preference, risk tolerance and other factors, the Board distinguished between internal control of financial reporting and non-financial reporting and studied and formulated the specific criteria for identification of deficiencies in internal control applicable to the Company which are kept consistent as previous years.

#### (1) *Criteria for identification of internal control deficiencies in financial reporting*

Quantitative criteria for identification of internal control deficiencies in financial reporting set by the Company are as follows:

Name of indicator	Quantitative criteria for material deficiencies	Quantitative criteria for major deficiencies	Quantitative criteria for general deficiencies
Amount of misstatement in financial statements	greater than 10% of the audited net profit of the Company for the most recent accounting year	greater than 6% and less than or equal to 10% of the audited net profit of the Company for the most recent accounting year	less than or equal to 6% of the audited net profit of the Company for the most recent accounting year

## Internal Control

Qualitative criteria for identification of internal control deficiencies in financial reporting set by the Company are as follows:

Nature of deficiencies	Qualitative criteria
Material deficiencies	<p>One of the following signs usually indicates that there are material deficiencies in the internal control of financial reporting:</p> <ol style="list-style-type: none"> <li>1. the Directors, Supervisors and senior management have fraudulent behaviours;</li> <li>2. the control environment is ineffective;</li> <li>3. the Company rectifies the published financial reports;</li> <li>4. the certified public accountant identifies material misstatement in the financial report for the current period which was not identified during the operation of the internal control;</li> <li>5. the supervision of the Company's audit committee and internal audit department over the internal control is ineffective.</li> </ol>
Major deficiencies	<p>One of the following signs usually indicates that there are major deficiencies in the internal control of financial reporting:</p> <ol style="list-style-type: none"> <li>1. although the misstatement in the financial report rectified does not reach or exceeds the level of importance, it is still worth the attention of the Board and the management;</li> <li>2. internal control deficiencies which have previously occurred and been reported to the management are not resolved as scheduled.</li> </ol>
General deficiencies	<p>Other internal control deficiencies that do not constitute material deficiencies or major deficiencies.</p>

# Internal Control

## (2) **Criteria for identification of internal control deficiencies in non-financial reporting**

Quantitative criteria for identification of deficiencies in internal control in non-financial reporting set by the Company are as follows:

Name of indicator	Quantitative criteria for material deficiencies	Quantitative criteria for major deficiencies	Quantitative criteria for general deficiencies
Loss of business ability, degree of achievement of business objectives	<ol style="list-style-type: none"> <li>1. Material business failure requiring relatively remarkable costs (over 20% more than budget of investment in time, personnel and costs) to control the situation, or the uncontrollable situation that brings significant impact on the survival of the enterprise;</li> <li>2. Risks resulted in failure of the Company to achieve part of its key operational objectives or performance indicators. Any one of the unachieved indicators with completion rates lower than 90%, or the departments/units affected by such risks failing to achieve all its key operational objectives or performance indicators (Note 1);</li> <li>3. Affected by risks caused by factors such as equipment, personnel, system and natural disasters, general business/operation of departments/units discontinued for 3 days and above.</li> </ol>	Between material deficiencies and general deficiencies.	<ol style="list-style-type: none"> <li>1. Certain impact on the operation. The situation can be controlled with relatively small costs (within 6% more than budget of investment in time, personnel and costs);</li> <li>2. Affected by risks caused by factors such as equipment, personnel, system and natural disasters, general business/operation of departments/units discontinued for less than 4 hours or may recover promptly.</li> </ol>

## Internal Control

Name of indicator	Quantitative criteria for material deficiencies	Quantitative criteria for major deficiencies	Quantitative criteria for general deficiencies
Resulting in loss of assets	Greater than or equal to over 8% of the audited net profit of the Company for the recent accounting year.	Between material deficiencies and general deficiencies.	Lower than 6% but greater than or equal to 4% of the audited net profit of the Company for the recent accounting year.
Extent of compliance with laws and regulations	<ol style="list-style-type: none"> <li>1. Material breach of laws and regulations, resulting in investigation by the central government or regulatory institutions and causing punishment;</li> <li>2. Material commercial disputes, civil litigations or arbitrations with target amount of 8% of the audited net assets of the Company for the recent accounting year.</li> </ol>	Between material deficiencies and general deficiencies.	<ol style="list-style-type: none"> <li>1. Breach of laws and regulations, resulting in investigation, litigation or punishment by municipal-level government department or potential issue of slight violation of regulations, resulting in mainly verbal warning;</li> <li>2. General commercial disputes, civil litigations or arbitrations with target amount of lower than 6% but greater than or equal to 4% of the audited net assets of the Company for the recent accounting year.</li> </ol>
Impact on safety	One incident resulting in more than 3 deaths.	Between material deficiencies and general deficiencies.	One incident resulting in less than 3 persons suffering from serious injuries (including acute industrial poisoning).

*Note 1:* Key operational objectives or performance indicators refer to the indicators of the annual assessment of the Company by the Board/the State-owned Assets Supervision and Administration Commission or various indicators issued by the Company during the year for appraisal of its units, such as cost indicators, profit indicators, return on net assets, energy conservation and emission reduction, production safety, etc.

# Internal Control

Qualitative standard for identification of internal control deficiencies in non-financial reporting set by the Company are as follows:

Nature of deficiencies	Qualitative standard
Material deficiencies	<ol style="list-style-type: none"> <li>The affected scope and recovery degree of reputation: <ol style="list-style-type: none"> <li>negative information spreads across the nation, is taken seriously or investigated by the central government departments or regulatory institutions, or attracts great attention of the official mainstream media <i>(Note 2)</i>;</li> <li>the enterprise needs more than 1 year to restore its reputation <i>(Note 3)</i>.</li> </ol> </li> <li>Environmental damage: <ol style="list-style-type: none"> <li>irreparable catastrophic environmental damage or causes environmental events as specified in the National Emergency Plan for Environmental Emergencies;</li> <li>the situation is reported by the national administrative department on environmental protection and is requested to suspend production for rectification.</li> </ol> </li> <li>Impact on employee attitude, ability and number: <ol style="list-style-type: none"> <li>serious damage to the interest of employees and influence on the overall working enthusiasm of employees;</li> <li>causes employees to go to Beijing and make individual or collective petitions, resulting in bad influences;</li> <li>the loss of more than 5% of the key technician personnel and management personnel (referring to intermediate level (inclusive) technician/management personnel above middle level in secondary units).</li> </ol> </li> </ol>
Major deficiencies	<ol style="list-style-type: none"> <li>The affected scope and recovery degree of reputation: <p>Between material deficiencies and general deficiencies.</p> </li> <li>Environmental damage: <p>Between material deficiencies and general deficiencies.</p> </li> <li>Impact on employee attitude, ability and quantity: <p>Between material deficiencies and general deficiencies.</p> </li> </ol>



# Internal Control

Nature of deficiencies	Qualitative standard
General deficiencies	<ol style="list-style-type: none"> <li>1. The affected scope and recovery degree of reputation: <ol style="list-style-type: none"> <li>(1) negative information which has no substantial damage to the corporate reputation or does not attract the attention of the media;</li> <li>(2) the enterprise can rapidly defuse the impact caused by the negative information.</li> </ol> </li> <li>2. Environmental damage: <ol style="list-style-type: none"> <li>(1) administrative penalty imposed by the environmental protection department at the district and county level;</li> <li>(2) has certain or temporary impact on the environment or society, but without damage to the ecosystem;</li> <li>(3) draws attention of the relevant government departments or needs to be notified to the relevant government departments, and does not need to take substantive actions but needs to pay close attention.</li> </ol> </li> <li>3. Impact on employee attitude, ability and number: <ol style="list-style-type: none"> <li>(1) influences the working enthusiasm of employees to some extent and lower their working efficiency;</li> <li>(2) cause employees to make individual or collective petitions to the parent company, which has adverse impact on the corporate culture and corporate cohesion to certain extent;</li> <li>(3) the loss of less than 1% of the technician personnel and management personnel.</li> </ol> </li> </ol>

*Note 2:* The official media such as People's Daily, Xinhua News Agency and China Central Television.

*Note 3:* Such as for environmental incidents, the time required for the rectification to be finalised by the regulatory authorities can be defined as the time required to restore the reputation.

During the Reporting Period, there were no material, major or general internal control deficiencies in financial reporting or non-financial reporting of the Company.

## Internal Control

### II. EXPLANATIONS ON RELEVANT MATTERS OF INTERNAL CONTROL AUDIT REPORT

The Company disclosed a standard unqualified Internal Control Audit Report for the year of 2024 issued by Ernst & Young Hua Ming LLP, the auditor for internal control, which considered that the Company has maintained effective internal control over financial reporting in all material respects. For details, please refer to the websites of the SSE and the Company.

### III. MANAGEMENT AND CONTROL OVER SUBSIDIARIES DURING THE REPORTING PERIOD

During the Reporting Period, the Company continued to build a complete governance system with system implementation as the basis, decision-making and implementation as the core and process supervision as guarantee, so as to promote the transformation of system implementation into real governance efficiency. All its subsidiaries continued to improve the corporate governance structure and formed an effectively balanced corporate governance structure for performing their duties and assuming their responsibilities, that operated in a coordinated manner. Specifically, the Company rolled out the following: 1. it strengthened the capacity-building of full-time Directors and Supervisors to perform their duties and improve the efficiency of post investment management; 2. it continued to steadily promote the normalised operation of the Company's greater risk control system, promoted risk control in a comprehensive, all-staff and systematical manner, strictly implemented the "three lines of defence" of the greater risk control system, and effectively prevented risks in promoting reform and development; 3. the Company optimised the subsidiary management system, improved the financial internal control system, and strengthened statement management; 4. it gave full play to the supervisory functions of the discipline inspection and monitoring and audit, and the supervisory function of the Supervisory Committee and standardised the operation of power and the due performance of their duties.

## Internal Control

### IV. RECTIFICATION OF SELF-INSPECTED PROBLEMS IN SPECIAL ACTIONS FOR GOVERNANCE OF LISTING COMPANIES

On 14 January 2021, after receiving the “Notice of Jiangxi Securities Regulatory Bureau on Implementing the Special Actions for Governance of Listed Companies” (《江西證監局關於做好上市公司治理專項行動工作的通知》), the Company attached great importance to it, established a leading group for the special actions for governance, and formulated a work plan for the special actions for governance. The Company carried out in-depth special self inspection on the operation and decision-making of the Company's organisational structure, controlling Shareholders and their connected parties, the construction of internal control standard system, information disclosure and transparency.

1. The operation and decision-making of the organisational structure: The Company has established a comprehensive corporate governance structure in strict accordance with the provisions of the Company Law, the Securities Law of the People's Republic of China and other laws, regulations and normative documents, in which the general meeting of Shareholders, the Board, special committees and senior management are the operation and decision-making bodies, the Supervisory Committee is the permanent supervisory body, and each body exercises its functions and powers in accordance with its own terms of reference and implementation rules. A sound and effective decision-making mechanism, management mechanism and mechanism with balanced power have been established.
2. Controlling Shareholders, de facto controllers and connected parties: The Company and its controlling Shareholder, JCC, conducted daily connected transactions in accordance with the laws and regulations and the Rules Governing the Listing of Stocks on the SSE (《上交所股票上市規則》), and the resolutions of relevant transactions were submitted to the Board and the general meeting for consideration and approval, and the procedures were ensured to be in compliance through the engagement of independent financial advisors and the provision of independent opinions by independent Directors.

## Internal Control

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3. Construction of internal control standard system: The Company has established a sound internal control system with mutual balances and supervision among internal control departments. In particular, starting from 2019, the Company has focused on constructing a greater risk control system to make the Company's operation more procedural and standardised, which has comprehensively enhanced the Company's risk management capability.
4. Information disclosure and transparency: The Company has established procedures for internal information collection, collation, review and disclosure, prepared and disclosed regular and interim reports in strict compliance with the requirements of domestic and overseas regulatory authorities, and actively maintained communications with investors through telephone conferences, on-site visits and e-interactions to make the Company's operations more open, transparent and efficient under the premise of legal compliance.

# Corporate Bonds

## I. CORPORATE BONDS (INCLUDING ENTERPRISE BONDS) AND NON-FINANCIAL CORPORATE DEBT FINANCING INSTRUMENTS

### (I) Corporate bonds (including enterprise bonds)

#### I. 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)	Whether there is any risk of termination of listing and trading
2022 Corporate Bonds (First Tranche) publicly issued to professional investors by Jiangxi Copper Company Limited	22 JCC 01	137816	14 September 2022	15 September 2022	15 September 2025	20	2.67	The interest is payable on a yearly basis and the principal is payable upon maturity.	SSE	Nil	No

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

Not applicable

Payment of interest of the bonds during the Reporting Period

Name of bonds	Explanation of interest payments
2022 Corporate Bonds (First Tranche) publicly issued to professional investors by Jiangxi Copper Company Limited	On 18 September 2024, the Company paid interest of RMB26.70 (tax inclusive) for each "22 JCC 01" with a nominal value of RMB1,000. For details, please refer to the "Announcement on the 2024 Interest Payments of the 2022 Corporate Bonds (First Tranche) Publicly Issued to Professional Investors by Jiangxi Copper Company Limited", disclosed on the website of the SSE on 9 September 2024.

## Corporate Bonds

**2. The Triggering and Operation of the Company or Investor Option Clauses and Investor Protection Clauses**

Not applicable

**3. Intermediaries Providing Services for the Issuance of Bonds and Existing Business**

Name of intermediary	Address	Name of signing accountant	Contact person	Contact number
China International Capital Corporation Limited	27-28th Floor, China World Office 2, 1 Jianguomenwai Avenue, Chaoyang District, Beijing		Yang Dong, Liu Liu	010-65051166

Changes of the above intermediaries

Not Applicable

**4. Adjustments to Credit Rating Results**

Not Applicable

Other explanation

Not Applicable

**5. Change, Variation and Implementation of Guarantees, Debt Repayment Plans and Other Debt Repayment Guarantee Measures During the Reporting Period and Their Impact**

Not Applicable

## Corporate Bonds

### (II) Important matters related to corporate bonds during the Reporting Period

#### 1. Non-operating current accounts and fund lending

##### (1) *Balance of non-operating current accounts and fund lending*

At the beginning of the Reporting Period, the Company's consolidated balance of current accounts and fund lending receivable from other parties ("**non-operating current accounts and fund lending**") not directly arising from production and operation: RMB0 billion;

Whether there were any violations of the relevant agreements or commitments in the prospectus regarding non-operating current accounts or fund lending during the Reporting Period

No

As at the end of the Reporting Period, the total amount of unrecovered non-operating current accounts and fund lending: RMB0 billion

##### (2) *Details of non-operating current accounts and fund lending*

As at the end of the Reporting Period, the percentage of the Company's consolidated unrecovered non-operating current accounts and fund lending of the Company's consolidated net assets: 0%

Whether it exceeds 10% of the consolidated net assets: No

##### (3) *Implementation of payment collection arrangements disclosed during previous reporting periods*

Full implementation



## Corporate Bonds

### 2. Liabilities

#### (1) Interest-bearing debt and its changes

##### 1.1 Debt structure of the Company

As at the beginning and the end of the Reporting Period, the balance of interest-bearing debt of the Company (not on consolidated basis of the Company) was RMB19.736 billion and RMB21.296 billion, respectively, with a period-on-period change of 7.90% during the Reporting Period.

Unit: hundred million Yuan Currency: RMB

Type of interest-bearing debt	Overdue	Due time		Total amount	Amount as a percentage of interest-bearing debt (%)
		Within 1 year (inclusive)	More than 1 year (exclusive)		
Corporate credit bonds	-	20.18	-	20.18	9.48
Bank loans	-	94.00	97.03	191.04	89.71
Non-bank financial institution loans	-	-	-	-	0
Other interest-bearing debts	-	1.67	0.07	1.74	0.82
Total	-	115.67	97.10	212.96	-

As at the end of the Reporting Period, among the Company's subsisting corporate credit bonds, the balance of corporate bonds was RMB2.018 billion, the balance of enterprise bonds was RMB0 billion, the balance of non-financial enterprise debt financing instruments was RMB0 billion, and a total of RMB0 billion of corporate credit bonds will be due or redeemed between May and December 2025.

## Corporate Bonds

### 1.2 Structure of the Company's consolidated interest-bearing debt

As at the beginning and the end of the Reporting Period, the balance of interest-bearing debt within the scope of the Company's consolidated statements was RMB57.003 billion and RMB70.261 billion, respectively, with a period-on-period change of 23.26% during the Reporting Period.

Unit: hundred million Yuan Currency: RMB

Type of interest-bearing debt	Due time			Total amount	Amount as a percentage of interest-bearing debt (%)
	Overdue	Within 1 year (inclusive)	More than 1 year (exclusive)		
Corporate credit bonds	-	20.27	32.16	52.43	7.46
Bank loans	-	477.68	168.65	646.33	91.99
Non-bank financial institution loans	-	-	-	-	0
Other interest-bearing debts	-	1.81	2.04	3.85	0.55
Total	-	499.76	202.85	702.61	-

As at the end of the Reporting Period, among the Company's subsisting corporate credit bonds on a consolidated basis, the balance of corporate bonds was RMB2.018 billion, the balance of enterprise bonds was RMB0 billion, the balance of non-financial enterprise debt financing instruments was RMB0 billion, and a total of RMB0 billion of corporate credit bonds will be due or redeemed between May and December 2025.

### 1.3 Overseas bonds

As at the end of the Reporting Period, the balance of overseas bonds within the scope of the Company's consolidated statements was RMB0 billion, and a total of RMB0 billion of overseas bonds will be due between May and December 2025.

## Corporate Bonds

**(2) Interest-bearing debt with overdue amount exceeding RMB10 million of the Company and its subsidiaries or overdue corporate credit bonds as at the end of the Reporting Period**

Not applicable

**(3) Main debt situation and reasons for changes**

Unit: hundred million Yuan Currency: RMB

Debt item	Balance at the end of the period	Balance in 2023	Change If the change ratio exceeds 30%, explain the reason (%)
Bank loans	616.92	510.42	20.87

**(4) Prioritised repayment of liabilities against third parties**

As at the end of the Reporting Period, the prioritised repayment of liabilities against third parties within the scope of the Company's consolidated statements:

Not applicable

**(III) Non-financial enterprise debt financing instrument in the inter-bank bond market**

Not Applicable

**(IV) The Company's loss in the scope of consolidated statements during the Reporting Period exceeding 10% of the net assets as at the end of the previous year**

Not Applicable

**(V) Overdue interest-bearing debt other than bonds at the end of the Reporting Period**

Not Applicable

## Corporate Bonds

**(VI) Impact of breach of laws and regulations, the Articles, the information disclosure management system and agreements or commitments in the bond prospectus on rights and interests of bond investors during the Reporting Period**

Not Applicable

**(VII) Accounting data and financial indicators for the last two years as at the end of the Reporting Period (prepared in accordance with the PRC GAAP)**

Unit: Yuan Currency: RMB

Major indicator	2024	2023	Increase/decrease from last year (%)
Net profit attributable to shareholders of the Company after deduction of non-recurring profit and loss	<b>8,287,226,783</b>	5,373,810,735	<b>54.22</b>
Liquidity ratio	<b>1.33</b>	1.45	<b>-8.28</b>
Quick ratio	<b>0.81</b>	0.87	<b>-6.90</b>
Asset-liability ratio (%)	<b>54.54</b>	54.36	<b>0.33</b>
EBITDA total debt ratio	<b>7.21</b>	6.71	<b>7.45</b>
Interest coverage ratio	<b>4.65</b>	4.50	<b>3.33</b>
Cash interest coverage ratio	<b>1.77</b>	5.19	<b>-65.90</b>
EBITDA interest coverage ratio	<b>5.85</b>	5.69	<b>2.81</b>
Loan repayment rate (%)	<b>100</b>	100	<b>0</b>
Interest coverage (%)	<b>364.85</b>	349.83	<b>4.29</b>

## II. CONVERTIBLE CORPORATE BONDS

Not applicable

# Significant Events

## I. PERFORMANCE OF UNDERTAKINGS

### (I) Undertakings given by de facto controllers, Shareholders, connected parties, purchasers of the Company, the Company and other parties related to the undertakings during or continuing in the Reporting Period

Background of undertakings	Type of undertakings	Undertaking party	Details of undertakings	Time of undertakings	Whether there is time limit of performance	Term of undertakings	Whether performed promptly and strictly	If not performed promptly, specify reasons for not completing performance	If not performed promptly, specify the plan for next step
Undertaking related to initial public offering	Others	JCC	Note 1	22 May 1997	Yes	Long term	Yes	N/A	N/A
Undertaking related to refinancing	Others	JCC	Notes 2 and 3	21 December 2016	Yes	Long term	Yes	N/A	N/A

Note 1:

- In the production and operation activities, the Company enjoys full autonomy in production and operations under the Company Law. JCC has undertaken not to interfere with the daily operations and decisions of the Company, unless such actions are performed through the Board.
- During the period when JCC holds 30% or more voting rights in the share capital of the Company, JCC shall make its best endeavors to ensure the independence of the Board pursuant to the requirements set out by the London Stock Exchange and the Stock Exchange; and shall ensure that the majority of the Directors are independent Directors (namely those independent of JCC and China National Non-ferrous Metals Industry Corporation) in accordance with the requirements of the London Stock Exchange.
  - During the period when JCC holds 30% or more voting rights in the share capital of the Company, JCC shall exercise its shareholder voting rights to ensure that no amendment to the Articles that may impact the independence of the Company shall be made.
- During the period when JCC holds 30% or more voting rights in the share capital of the Company, JCC, its subsidiaries and related companies (including the companies, enterprises and businesses controlled by JCC, except those controlled through the Company) shall not engage in any activities or businesses that are or may be in direct or indirect competition with the businesses of the Company.
- JCC has undertaken to assist the Company in obtaining governmental approvals with respect to the businesses of the Company.
- In the event that JCC carries out actions such as transfers and disposals of the land use rights of Dexing Copper Mine, Yongping Copper Mine and Guixi Smelter, the Company shall have the pre-emptive right.
- JCC gives an option to the Company that the Company can purchase from JCC any mines, smelters or refineries that are currently or will be owned and/or operated in the future or any rights of mining or exploration that are currently or will be held in the future by JCC.

## Significant Events

### *Note 2:*

#### Details of dividend undertakings

1. The Company can distribute dividend by way of cash, shares or a combination of cash and shares; and can distribute interim dividend according to the actual profitability and the capital requirement of the Company;
2. According to the provisions of the laws, regulations and the Articles, conditional upon the accumulated distributable profits being positive after making up the losses, withdrawing the statutory provident fund and discretionary provident fund in full amount, being profitable and having sufficient cash to satisfy the normal production and operation of the Company for that year, in each year, the profit distribution by way of cash shall be not less than 10% of the distributable profits realised for the year, and the accumulated distributable profit distributed by way of cash in the last three years shall be not less than 30% of the average annual distributable profits realised in the last three years;
3. In addition to satisfying the minimum cash dividend distribution, the Company can implement share dividend distribution. The proposal for share dividend distribution shall be formulated by the Board and submitted to the general meeting for consideration.

### *Note 3:*

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

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

## Significant Events

- (II) Where profit forecasts were made for the assets or projects of the Company with the Reporting Period falling within the profit forecast period, the explanation made by the Company on whether the assets or projects have met the original profit forecasts and the reasons thereof

Not applicable

- (III) Fulfillment of performance guarantee and its effects on goodwill impairment testing

Not applicable

### II. MISAPPROPRIATION OF FUNDS BY CONTROLLING SHAREHOLDERS AND OTHER CONNECTED PARTIES FOR NON-OPERATION PURPOSE DURING THE REPORTING PERIOD

Not applicable

### III. GUARANTEES IN VIOLATION OF REGULATIONS

Not applicable

### IV. THE BOARD'S EXPLANATION ON "NON-STANDARD AUDIT REPORT" GIVEN BY ACCOUNTING FIRMS

Not applicable

### V. ANALYSIS AND EXPLANATION OF THE COMPANY ON THE REASONS AND IMPACT OF THE CHANGE IN ACCOUNTING POLICY AND ACCOUNTING ESTIMATION OR CORRECTION OF MATERIAL ACCOUNTING ERRORS

- (I) Analysis and explanation of the Company on the reasons and impact of the change in accounting policy and accounting estimation

Not applicable

- (II) Analysis and explanation of the Company on the reasons and impact of the correction of material accounting errors

Not applicable



## Significant Events

### (III) Communication with former accounting firms

Not applicable

## VI. APPOINTMENT AND REMOVAL OF ACCOUNTING FIRMS

Unit: Yuan Currency: RMB

Current auditors	
Name of the domestic auditor	Ernst & Young Hua Ming LLP
Remuneration of the domestic auditor	6,800,000
Years of audit services provided by the domestic auditor	7 years
Name of the overseas auditor	Ernst & Young
Remuneration of the overseas auditor	7,150,000
Years of audit services provided by the overseas auditor	7 years

Name	Remuneration
Auditor for internal control	Ernst & Young Hua Ming LLP
	1,000,000

The remuneration of the Company's auditor for the year of 2024 is set out as follows:

	2024
	RMB '000
Audit fees <sup>(Note 1)</sup>	14,950
Non-audit service fees <sup>(Note 2)</sup>	1,948
	16,898

Notes:

- Including the fees rendered for the audit of internal control over financial reporting as required by Basic Standard for Enterprise Internal Control.
- Including providing tax compliance and advisory services.

## Significant Events

### **Explanation on appointment and removal of accounting firms**

Not applicable

### **Explanation on change of accounting firms during the audit period**

Not applicable

### **Explanation on the decrease in audit fees by more than 20% (including 20%) compared with the previous year**

Not applicable

### **Explanation on change of accounting firms in the past three years**

Not applicable

## **VII. RISK OF DELISTING**

### **(I) Reasons for the delisting risk warning**

Not applicable

### **(II) Measures to be adopted by the Company**

Not applicable

### **(III) Delisting and the reasons**

Not applicable

# Significant Events

## VIII. INSOLVENCY OR RESTRUCTURING

Not applicable

## IX. MATERIAL LITIGATIONS AND ARBITRATIONS

### (I) Litigations and arbitrations disclosed in announcements and without subsequent development

Brief description and type of litigations and arbitrations	Reference for inspection
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 (contractual dispute)	The announcement of the Company dated 12 June 2019

## Significant Events

### (II) Litigations and arbitrations not disclosed in announcements or with subsequent development

Unit: 0,000 Yuan Currency: RMB

During the Reporting Period:

Plaintiff (applicant)	Defendant (respondent)	Party bearing joint and several liability	Type of litigation and arbitration	Basic information of litigation (arbitration)	Amount involved in litigation (arbitration)	Whether litigation (arbitration) will form estimated liability and amount	Litigation (arbitration) progress	Litigation (arbitration) result and impact	Enforcement of litigation (arbitration) judgement
Jiangxi Copper International Trading Co., Ltd. (江銅國際貿易有限公司) ("Jiangxi Copper International Trading")	Shanghai Eagle Investment Group Co., Ltd. (上海鷹悅投資集團有限公司) ("Shanghai Eagle")	1. Yan Weimin 2. Zheng Jianlong 3. Fan Yanyan 4. Ailerui International Trade (Shanghai) Co., Ltd. (艾樂瑞國際貿易(上海)有限公司) ("Ailerui")	Retrial of the first trial	The announcement of the Company dated 21 June 2019	81,567	No	The re-trial of the first trial was concluded.	Judgment: 1. The defendant, Shanghai Eagle, shall return RMB598,832,287.67 to the plaintiff, Jiangxi Copper International Trading; 2. The defendant Yan Weimin shall bear one-third of the compensation liability for the part that Shanghai Eagle cannot repay, using his pledged shares and the value of the equity of Ailerui; after bearing the compensation liability, the defendant Yan Weimin is entitled to seek the compensation from the defendant, Shanghai Eagle.	The retrial of the first trial was concluded, and the Company appealed against the judgment of the retrial of the first trial.

## Significant Events

### (III) Other explanations

Not applicable

### X. SUSPECTED VIOLATION OF LAWS AND REGULATIONS BY, PUNISHMENT ON AND RECTIFICATION OF THE COMPANY AND ITS DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT, CONTROLLING SHAREHOLDER AND DE FACTO CONTROLLER

In April 2024, the Company received the Decision on Ordering for Rectification Measures on Jiangxi Copper Company Limited (《關於對江西銅業股份有限公司採取責令改正措施的決定》) ([2024] No. 35) (the “**Decision Letter**”) issued by the Shandong Regulatory Bureau of the China Securities Regulatory Commission (the “**Shandong Securities Regulatory Bureau**”) addressed to the Company. Upon receipt of the Decision Letter, the Company has paid close attention to the issues raised in the Decision Letter and has earnestly implemented rectification and formulated a written rectification report in accordance with the requirements of the Decision Letter, which was submitted to the Shandong Securities Regulatory Bureau in May 2024. Specific rectification measures are set out below:

Based on a realistic and practical perspective, and taking into account the Company’s 42.24% direct ownership of the mining rights in Shiwu Gold Mine (石塢金礦) and 60% equity interests in Jiangxi Gold Co., Ltd.\* (江西黃金股份有限公司) (“**Jiangxi Gold**”) have entered into the process of audit evaluations, the Company will promptly notify Humon Smelting upon completion of the valuation of Shiwu Gold Mine and the equity interest in Jiangxi Gold held by the Company, as well as the filing of the state-owned asset valuation, of the agreement to transfer the Company’s mining rights in Shiwu Gold Mine and the Company’s equity interests in Jiangxi Gold. The transfer price shall comply with the relevant regulations on non-public agreement in relation to transfer of state-owned assets, such as the Measures for the Supervision and Administration of State-owned Assets Transactions in Enterprises (Order No. 32 of the State-owned Assets Supervision and Administration Commission and the Ministry of Finance) (《企業國有資產交易監督管理辦法》(國資委、財政部令32號)), and shall not be lower than the appraised value registered with the State-owned Assets Supervision and Administration Commission. Prior to this, the Company may cooperate with Humon Smelting in conducting the necessary due diligence work in respect of Shiwu Gold Mine and the equity interests in Jiangxi Gold.

## Significant Events

Given that the mining rights of Shiwu Gold Mine will be injected into Jiangxi Gold after valuation, upon the injection of the mining rights, the Company's 42.24% mining rights in Shiwu Gold Mine will be converted into equity interests in Jiangxi Gold and the percentage of Company's equity interests in Jiangxi Gold will be adjusted accordingly. Humon Smelting has the option to either (1) have priority in the acquisition of the Company's 42.24% mining rights in Shiwu Gold Mine and the Company's 60% equity interests in Jiangxi Gold, subject to completion of the connected transaction approval process, within 4 months after receiving the abovementioned notification if the conversion of the 42.24% mining rights in Shiwu Gold Mine into the equity interests in Jiangxi Gold has not taken place; or (2) acquire the adjusted equity interests in Jiangxi Gold held by the Company after the conversion of the 42.24% mining rights in Shiwu Gold Mine held by the Company into equity interests in Jiangxi Gold. In the event that Humon Smelting acquires the Company's equity interests in Jiangxi Gold pursuant to (2) above, the Company will, upon the completion of the adjustment of the equity interests in Jiangxi Gold and based on the validity of the valuation, immediately notify Humon Smelting, or notify it promptly after revaluation and filing, for the transfer of equity interests in Jiangxi Gold held by the Company. If Humon Smelting fails to complete the connected transaction approval process within 4 months after receiving the notification or fails to pass the approval, the Company will initiate the relevant procedures to transfer its equity interests in Jiangxi Gold to other unconnected third party(ies) within 2 months.

### **XI. CREDIT CONDITIONS OF THE COMPANY, ITS CONTROLLING SHAREHOLDERS AND DE FACTO CONTROLLERS DURING THE REPORTING PERIOD**

Not applicable

## Significant Events

### **XII. SHARE OPTION SCHEME, EMPLOYEE SHAREHOLDING PLAN OR OTHER EMPLOYEE INCENTIVES OF THE COMPANY AND THEIR EFFECTS**

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

Not applicable

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

**1. Share option scheme**

Not applicable

**2. Employee shareholding plan**

Not applicable

**3. Other employee incentives**

Not applicable

**(III) Equity incentives granted to Directors and senior management during the Reporting Period**

Not applicable

**(IV) Establishment and implementation of appraisal mechanism and incentive mechanism for senior management during the Reporting Period**

According to the authorisation by the general meeting of the Company, the Board has considered and approved the resolution on remuneration of senior management of the Company for the year 2024.



# Significant Events

## XIII. MATERIAL CONNECTED TRANSACTIONS

### (I) Connected transactions in relation to daily operations

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

Not applicable

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

Not applicable

#### 3. Connected transactions

During the Reporting Period, details of connected transactions carried out by the Company are as follows:

Unit: Yuan Currency: RMB

Connected party	Connected relationship	Type of connected transaction	Subject matter of connected transaction	Pricing policy of connected transaction	Price of connected transaction	Amount of connected transaction	Percentage of the amount of similar transactions (%)	Settlement of connected transaction	Market price	Reason for the significant difference between transaction price and market reference price
JCC	Controlling Shareholder	Sales of commodities	Copper rods and wires	Market price	67,086.01	813,927,489	0.69	Payment upon acceptance		
JCC	Controlling Shareholder	Sales of commodities	Copper cathode	Market price	66,587.57	1,165,247,006	0.43	Payment upon acceptance		
JCC	Controlling Shareholder	Sales of commodities	Ancillary industrial products	Market price		49,164,812	0.48	Payment upon acceptance		
JCC	Controlling Shareholder	Sales of commodities	Silver and silver concentrates	Market price		443,351,422	2.62	Payment upon acceptance		
JCC	Controlling Shareholder	Sales of commodities	Lead materials	Market price		69,993,355	100	Payment upon acceptance		
JCC	Controlling Shareholder	Sales of commodities	Ancillary materials	Market price		13,478,270	0.15	Payment upon acceptance		
JCC	Controlling Shareholder	Sales of commodities	Sulphuric acid and steel balls	Market price		4,867,462	100	Payment upon acceptance		
JCC	Controlling Shareholder	Sales of commodities	Zinc concentrates	Market price		46,396,933	100	Payment upon acceptance		
JCC	Controlling Shareholder	Sales of commodities	Tin	Market price		0	0.00	Payment upon acceptance		
JCC	Controlling Shareholder	Sales of commodities	Gold concentrates	Market price		391,954,950	0.59			
JCC	Controlling Shareholder	Purchase of commodities	Rare metals and ancillary industrial products	Market price		192,950,872	1.91	Payment upon acceptance		

## Significant Events

Connected party	Connected relationship	Type of connected transaction	Subject matter of connected transaction	Pricing policy of connected transaction	Price of connected transaction	Amount of connected transaction	Percentage of the amount of similar transactions (%)	Settlement of connected transaction	Market price	Reason for the significant difference between transaction price and market reference price
JCC	Controlling Shareholder	Purchase of commodities	Silver	Market price		3,139,419,788	20.16	Payment upon acceptance		
JCC	Controlling Shareholder	Purchase of commodities	Gold	Market price		753,240,312	1.18	Payment upon acceptance		
JCC	Controlling Shareholder	Purchase of commodities	Copper concentrates	Market price		34,586,746	0.13	Payment upon acceptance		
JCC	Controlling Shareholder	Purchase of commodities	Sulphuric acid and steel balls	Market price		15,438,118	0.83	Payment upon acceptance		
JCC	Controlling Shareholder	Purchase of commodities	Anode copper	Market price		16,539,265	0.006402833	Payment upon acceptance		
JCC	Controlling Shareholder	Purchase of commodities	Crude copper	Market price		13,590,291	0.365	Payment upon acceptance		
		Purchase of commodities	Copper rod and copper wire	Market price		179,996	0.0001530			
JCC	Controlling Shareholder	Supply of services	Construction service	Industry standards		354,884,475	41.74	Settlement according to project progress		
JCC	Controlling Shareholder	Supply of services	Transport service	Freight price standard in Jiangxi Province		57,144,307	17.49	Monthly payment		
JCC	Controlling Shareholder	Supply of services	Repair, maintenance and other service	Industry standards		61,953,386	27.74	Monthly payment		
JCC	Controlling Shareholder	Fees of public utilities such as water, electricity and gas (sales)	Electricity service	Cost plus tax		43,790,440	100	Monthly payment		
JCC	Controlling Shareholder	Rent and lease	Rental income from public utilities	Shared in accordance with costs and the proportion of staff of both parties		5,749,210	28.75	Monthly payment		
JCC	Controlling Shareholder	Fees of public utilities such as water, electricity and gas (sales)	Water service	Cost plus tax		52,568	100	Monthly payment		
JCC	Controlling Shareholder	Loans	Cumulative provision of loans	Based on the benchmark interest rate promulgated by the People's Bank of China or not less favourable than the similar credit terms offered to JCC by other domestic financial institutions or credit cooperatives		3,317,100,000	100	Payment on terms set out in the loan contract		
JCC	Controlling Shareholder	Loans	Interest income received from loans provided	Based on the benchmark interest rate promulgated by the People's Bank of China or not less favourable than the similar credit terms offered to JCC by other domestic financial institutions or credit cooperatives		85,213,977	100	Monthly or quarterly payment		

## Significant Events

Connected party	Connected relationship	Type of connected transaction	Subject matter of connected transaction	Pricing policy of connected transaction	Price of connected transaction	Amount of connected transaction	Percentage of the amount of similar transactions (%)	Settlement of connected transaction	Market price	Reason for the significant difference between transaction price and market reference price
JCC	Controlling Shareholder	Borrowings	Cumulative acceptance of deposits	Based on the benchmark interest rate promulgated by the People's Bank of China or not less favourable than the similar credit terms offered to JCC by other domestic financial institutions or credit cooperatives		0		Payment on terms set out in the deposit contract		
JCC	Controlling Shareholder	Borrowings	Interest paid for deposits accepted	Based on the benchmark interest rate promulgated by the People's Bank of China or not less favourable than the similar credit terms offered to JCC by other domestic financial institutions or credit cooperatives		75,911,295	100	Monthly or quarterly payment		
JCC	Controlling Shareholder	Fund lending	Acceptance of borrowing principal	Based on the benchmark interest rate promulgated by the People's Bank of China or not less favourable than the similar credit terms offered to JCC by other domestic financial institutions or credit cooperatives		95,501,412	0.21	Monthly or quarterly payment		
JCC	Controlling Shareholder	Fund lending	Interest paid for acceptance of borrowing	Based on the benchmark interest rate promulgated by the People's Bank of China or not less favourable than the similar credit terms offered to JCC by other domestic financial institutions or credit cooperatives		0	0	Monthly or quarterly payment		
JCC	Controlling Shareholder	Fund lending	Acceptance of principal on long-term borrowing	Based on the benchmark interest rate promulgated by the People's Bank of China or not less favourable than the similar credit terms offered to JCC by other domestic financial institutions or credit cooperatives		0	0.00	Monthly or quarterly payment		
JCC	Controlling Shareholder	Fund lending	Repayment of principal and interest of long term borrowing	Based on the benchmark interest rate promulgated by the People's Bank of China or not less favourable than the similar credit terms offered to JCC by other domestic financial institutions or credit cooperatives		0	0	Monthly or quarterly payment		

## Significant Events

Connected party	Connected relationship	Type of connected transaction	Subject matter of connected transaction	Pricing policy of connected transaction	Price of connected transaction	Amount of connected transaction	Percentage of the amount of similar transactions (%)	Settlement of connected transaction	Market price	Reason for the significant difference between transaction price and market reference price
JCC	Controlling Shareholder	Finance lease	Finance lease interest expenses	Based on the benchmark interest rate promulgated by the People's Bank of China or not less favourable than the similar credit terms offered to JCC by other domestic financial institutions or credit cooperatives		234,789	100	Monthly or quarterly payment		
JCC	Controlling Shareholder	Finance lease	Acceptance of sale and leaseback	Based on the benchmark interest rate promulgated by the People's Bank of China or not less favourable than the similar credit terms offered to JCC by other domestic financial institutions or credit cooperatives		200,000,000	100	Monthly or quarterly payment		
JCC	Controlling Shareholder	Acceptance of labour services	Labour service	Market price		79,642,595	100	Monthly payment		
JCC	Controlling Shareholder	Rent and lease	Rent expense of land use right	Market price		196,222,947	100	Monthly payment		
JCC	Controlling Shareholder	Acceptance of labour services	Acceptance of the transfer of land use right	Market price		0	100	Payment on terms set out in the contract		
JCC	Controlling Shareholder	Acceptance of labour services	Acceptance of the environmental sanitation and greenery services	Market price		0	100	Monthly payment		
JCC	Controlling Shareholder	Acceptance of agency services	Brokerage agency services for commodity future contracts	Market price		13,308,945	30.42	Settlement upon completion of transaction		
JCC	Controlling Shareholder	Acceptance of labour services	Repair and maintenance service	Industry standards		139,389,811	68.44	Monthly payment		
JCC	Controlling Shareholder	Acceptance of labour services	Welfare and medical service	Industry standards		0	-	Monthly payment		
JCC	Controlling Shareholder	Acceptance of labour services	Procurement of spare parts and processed parts	Market price		17,186,598	0.85	Payment upon acceptance		
JCC	Controlling Shareholder	Acceptance of labour services	Construction service	Industry standards		77,347,517	9.10	Settlement according to project progress		
JCC	Controlling Shareholder	Acceptance of labour services	Transport service	Industry standards		127,090	0.14	Monthly payment		
Total				/	/	11,985,088,449	/	/	/	

## Significant Events

Details of substantial sales return	During the Reporting Period, there was no substantial sales return.
Explanation on connected transactions	During the Reporting Period, the material and recurring connected transactions between the Group and connected parties amounted to RMB11,985 million, including purchase transactions of RMB4,689 million and sales transactions of RMB3,522 million, deposit and loan transactions with JCC Finance Company Limited of RMB3,478 million, finance lease transactions of RMB200 million and fund lending of RMB96 million.

### Agreement Details of Connected Transactions and Continuing Connected Transactions

#### (1) Consolidated Supply and Services Agreements

The Company and JCC entered into the consolidated supply and services agreement I (the “**Consolidated Supply and Services Agreement I**”) and the consolidated supply and services agreement II (the “**Consolidated Supply and Services Agreement II**”) on 10 November 2023, respectively, pursuant to which, JCC and its subsidiaries (other than the Group) from time to time supplied various materials and provided consolidated services to the Group, while the Company supplied various materials and provided consolidated services to JCC and its subsidiaries (other than the Group) from time to time. The Consolidated Supply and Services Agreement I and the Consolidated Supply and Services Agreement II are valid from 1 January 2024 to 31 December 2026.

## Significant Events

The proposed caps for the Consolidated Supply and Services Agreement I for each of the three financial years ending 31 December 2024, 31 December 2025 and 31 December 2026 shall not exceed RMB6,181,400,000, RMB6,271,270,000 and RMB6,365,880,000, respectively.

The proposed caps for the Consolidated Supply and Services Agreement II for each of the three financial years ending 31 December 2024, 31 December 2025 and 31 December 2026 shall not exceed RMB4,270,010,000, RMB4,605,940,000 and RMB4,571,710,000, respectively.

The Company is of the view that the above agreements entered into between the Company and JCC and its subsidiaries (other than the Group) from time to time are conducive to the reasonable allocation and adequate utilisation of the existing assets of each party, the realisation of resource sharing and mutual complement of advantages of each party, so as to enhance sustainable and stable development of production and operation of the Group, reduce overlapping investments and save expenditure of the Group, as well as increase the comprehensive efficacy of the Group. The pricing policies for the connected transactions between the Company and JCC and its subsidiaries (other than the Group) from time to time were determined based on the PRC government prescribed prices, market/industry prices, prices quoted on the SHFE, costs plus applicable taxes, or a combination of certain pricing bases as mentioned above.

## Significant Events

### (2) Land Use Rights Leasing Agreement

Due to historical factors, some of the office buildings and plants of the Group are built on land owned by JCC and its subsidiaries (other than the Group) from time to time. The Group adopting the approach of leasing land from JCC and its subsidiaries (other than the Group) from time to time can help reduce investment of the Group.

On 10 November 2023, the Company, as the lessee, entered into the land use rights leasing agreement (the “**Land Use Rights Leasing Agreement**”) with JCC, as the lessor, for a term of three years, pursuant to which, JCC agreed to let the land use rights of the land covering an area of approximately 50,737,714.77 square metres to the Company. The agreement is valid from 1 January 2024 to 31 December 2026 at an annual rate of RMB196,222,947.44. The actual rate is calculated in accordance with the actual area leased by the Group. Pursuant to IFRS 16, the value of the right-of-use asset recognised by the Group under the Land Use Rights Leasing Agreement is RMB513,185,392.69.

### (3) Finance Lease Framework Agreement

The Company and Shenzhen Jiangtong Finance Leasing Co., Ltd.\* (深圳江銅融資租賃有限公司)(“**Shenzhen Finance**”), a subsidiary of JCC, entered into the finance lease framework agreement (the “**Finance Lease Framework Agreement**”) on 15 December 2022, for a term from 1 January 2023 to 31 December 2025, pursuant to which Shenzhen Finance and its subsidiaries (“**Shenzhen Finance Group**”) shall, at the request of the Group, provide finance lease services to the Group, including (i) direct lease service; (ii) sale and leaseback service; and (iii) entrusted lease service (collectively, the “**Finance Lease Services**”). The annual cap for the finance leases under the Finance Lease Framework Agreement for each of the three financial years ended 31 December 2023, 31 December 2024 and 31 December 2025 is RMB1,900,000,000. The transactions contemplated under the Finance Lease Framework Agreement are beneficial to the Group in expanding leasing channel, lowering investment risks and alleviating financial pressure. Through tailor-made finance lease services solutions provided to the Group, it can effectively increase the liquidity of the Group and optimise its asset structure.



## Significant Events

### (4) Financial Services Agreement

JCC Finance Company Limited (“**JCC Finance**”), a subsidiary of the Company, entered into the financial services agreement (the “**Financial Services Agreement**”) with JCC on 29 December 2023 for a term from 1 January 2024 to 31 December 2026, pursuant to which JCC Finance agreed to provide JCC and its subsidiaries (other than the Group) from time to time with cash deposit services, settlement services and credit services on an ongoing basis. The maximum daily outstanding balance of credit services to be provided by JCC Finance to JCC and its subsidiaries (other than the Group) from time to time for each of the three financial years ending 31 December 2026 will not exceed RMB2,400,000,000. According to the Financial Services Agreement, JCC and its subsidiaries (other than the Group) from time to time will transfer net deposit (i.e. excess of the total daily deposit balance of JCC and its subsidiaries (other than the Group) from time to time over the total daily loan outstanding balance of JCC and its subsidiaries (other than the Group) from time to time) to JCC Finance, which is beneficial to supplement the financial resources available for use of JCC Finance and enhance the profitability of JCC Finance and hence enhances the profitability of the Company.

## Significant Events

Based on the Company's needs of business development and in order to fully realise the sharing of resources and complementary advantages, after friendly negotiation between both parties, on 26 April 2024, JCC Finance and JCC entered into the supplemental agreement, adjusting some terms in and on the basis of the Financial services agreement. During the term of the Financial Services Agreement, the daily outstanding balance of credit services to be provided by JCC Finance to JCC shall be adjusted from not exceeding RMB2,400,000,000 to not exceeding RMB3,500,000,000. Except for the aforementioned adjustment, other terms of the Financial Services Agreement shall remain unchanged. The proposed cap for each of the three financial years ending 31 December 2026 shall not exceed RMB3,500,000,000.

### (5) Mutual Guarantees Agreements

On 12 January 2024, Heding Copper, a subsidiary of the Company, and Fuye Group (which holds 40% of the issued share capital of Heding Copper, being its substantial shareholder) as well as Jiangxi Heli Environmental Protection Technology Co., Ltd.\* (江西和立環保科技有限公司) ("**Jiangxi Heli**"), Jiangxi Hefeng Environmental Technology Co., Ltd.\* (江西和豐環保科技有限公司) ("**Jiangxi Hefeng**") and Zhejiang Fuhe Zhiye Co., Ltd.\* (浙江富和置業有限公司) ("**Zhejiang Fuhe Zhiye**"), which are beneficially owned by Fuye Group, entered into the mutual guarantees agreement (the "**Original Mutual Guarantees Agreement**"), which took effect on 1 January 2024. According to such agreement, Heding Copper and Fuye Group agreed that the maximum aggregated annual balance amount (which was also the maximum daily balance) of guarantees for each other's obligations in respect of loans which they may respectively obtain from financial institutions for the period from 1 January 2024 to 31 December 2025 shall not exceed RMB2,550,000,000 (which shall include the amount of guarantees that were provided by Heding Copper and Fuye Group for each other prior to 1 January 2024 and are valid during the term of the Original Mutual Guarantees Agreement), provided that each loan contract shall be executed during the period from 1 January 2024 to 31 December 2024 and the term of each loan shall not exceed 12 months. Jiangxi Heli, Jiangxi Hefeng and Zhejiang Fuhe Zhiye agreed to act as the counter-guarantors of Fuye Group, as such, they shall jointly and severally provide counter-guarantees to Heding Copper with all their assets for the guarantees provided by Heding Copper for Fuye Group in respect of the bank loan contracts signed during the period from 1 January 2024 to 31 December 2024 under the Original Mutual Guarantees Agreement.

## Significant Events

In order to meet the actual production and operation needs and lower the finance cost of Heding Copper, on 17 January 2025, Heding Copper, Fuye Group, Jiangxi Heli, Jiangxi Hefeng and Zhejiang Fuhe Zhiye entered into the new mutual guarantees agreement (the “**New Mutual Guarantees Agreement**”), and the Original Mutual Guarantees Agreement was terminated on 1 January 2025. Heding Copper and Fuye Group agreed that the maximum aggregated annual balance amount (which was also the maximum daily balance) of guarantees for each other’s obligations in respect of loans which they may respectively obtain from financial institutions for the period from 1 January 2025 to 31 December 2026 shall not exceed RMB2,900,000,000 (which shall include the amount of guarantees that were provided by Heding Copper and Fuye Group for each other pursuant to the Original Mutual Guarantees Agreement prior to 1 January 2025 and remain valid during the term of the New Mutual Guarantees Agreement), provided that each loan contract shall be executed during the period from 1 January 2025 to 31 December 2025 and the term of each loan shall not exceed 12 months. Jiangxi Heli, Jiangxi Hefeng and Zhejiang Fuhe Zhiye agreed to act as the counter-guarantors of Fuye Group, as such, they shall provide counter-guarantees with joint and several liabilities to Heding Copper with all their own assets for the guarantees provided by Heding Copper for Fuye Group in respect of the bank loan contracts signed during the period from 1 January 2025 to 31 December 2025 pursuant to the New Mutual Guarantees Agreement.

Details of guarantees are set out in pages 168 to 169 in this report.

All of the above continuing connected transactions numbered (1) to (5) are reviewed by the independent non-executive Directors every year, confirming that: (i) the transactions were entered into in the ordinary course of business of the Group; (ii) the transactions were entered into and performed on normal commercial terms or on the terms same as (or better than) those from independent third parties; and (iii) the transactions are conducted in accordance with relevant transaction agreements, the terms of which were fair and reasonable, and were in the interests of the Shareholders as a whole. The Company also confirms that in determining the prices and terms of the continuing connected transactions conducted by the Group during the Reporting Period, the Group has followed the Group’s pricing policy as set out in the agreements for the relevant transactions.

## Significant Events

The auditors of the Company were appointed to report on the continuing connected transactions of the Group in accordance with “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” conducted by Hong Kong Standard on Assurance Engagements 3000 and with reference to the Practice Note 740 “Auditor’s Letter on Continuing Connected Transactions under the Hong Kong Listing Rules” (Revised) issued by the Hong Kong Institute of Certified Public Accountants. The auditors have issued a letter to the Board in accordance with Rule 14A.56 of the Listing Rules confirming that nothing has come to their attention causing them to believe that the abovementioned continuing connected transactions for the year ended 31 December 2024: (1) were not approved by the Board; (2) were not in accordance with the pricing policies of the Group in all material aspects for the transactions that involved the provision of products and services by the Group; (3) were not entered into in accordance with the agreements governing such transactions in all material aspects; and (4) exceeded the annual caps disclosed by the Group for the abovementioned continuing connected transactions.

### (II) Connected transactions from assets or equity acquisition or sales

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

Not applicable

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

Not applicable

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

Not applicable

**4. Where performance agreement is involved, the performance realised during the Reporting Period shall be disclosed**

Not applicable

## Significant Events

### (III) Material connected transactions of joint external investment

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

Not applicable

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

Not applicable

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

Not applicable

### (IV) Connected credits and liabilities

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

Not applicable

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

Not applicable

## Significant Events

### 3. Events not disclosed in extraordinary announcements

Unit: 0'000 Yuan Currency: RMB

Connected party	Connected relationship	Funds provided to connected parties			Funds offered by connected parties to the Company		
		Opening balance	Amount incurred	Closing balance	Opening balance	Amount incurred	Closing balance
JCC	Controlling Shareholder	236,897	101,070	<b>337,967</b>	596,872	409,278	<b>1,006,150</b>
Total		236,897	101,070	<b>337,967</b>	596,872	409,278	<b>1,006,150</b>

Reasons for the formation of connected credits and liabilities

On 29 December 2023, JCC Finance, a wholly-owned subsidiary of the Company, and JCC, the largest Shareholder, entered into the Financial Services Agreement, the term of which shall be from 1 January 2024 to 31 December 2026. According to the agreement, a proportion of deposits and loans of JCC which were deposited in financial institutions from 1 January 2024 to 31 December 2026 would be transferred to JCC Finance as deposits and loans in accordance with market principles, among which, the daily balance of the transferred loans (referring to comprehensive credit services provided to members of JCC and its subsidiaries (other than the Group) from time to time, including the provision of loans, discounted bills, commercial note acceptance, issuance of letters of guarantee, provision of overdraft facility, accounts receivable factoring and finance leases) would not exceed RMB2,400,000,000; and the daily balance of loans should not exceed the daily balance of transferred deposits in order to create "net deposit", and the transferred deposits shall serve as guarantee to the transferred loans. On 26 April 2024, JCC Finance and JCC entered into the Supplemental Agreement in respect of the Financial Services Agreement to adjust the daily loan balance to not more than RMB3,500,000,000.

Impacts of connected credits and liabilities on the Company

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

## Significant Events

### (V) Financial business between the Company and its connected financial company, and between the Company's holding financial company and its connected parties

#### 1. Deposit business

Unit: 0'000 Yuan Currency: RMB

Connected party	Connected relationship	Daily maximum deposit limit	Deposit interest rate range	Opening balance	Amount for the current period		Closing balance
					Total amount deposited for the current period	Total amount drawn for the current period	
JCC	Controlling Shareholder	Nil	0.35%-3.5%	596,872	20,446,237	20,036,959	1,006,150
Total	/	/	/	596,872	20,446,237	20,036,959	1,006,150

#### 2. Loan business

Unit: 0'000 Yuan Currency: RMB

Connected party	Connected relationship	Loan limit	Loan interest rate range	Opening balance	Amount for the current period		Closing balance
					Total amount lent for the current period	Total amount repaid for the current period	
JCC	Controlling Shareholder	350,000	2.50%-3.90%	236,897	407,797	306,727	337,967
Total	/	/	/	236,897	407,797	306,727	337,967



## Significant Events

### 3. Credit business or other financial business

Unit: 0'000 Yuan Currency: RMB

Connected party	Connected relationship	Business type	Total amount	Actual amount
JCC	Controlling Shareholder	Credit	630,000.00	340,914.59

### 4. Other explanation

Not Applicable

## XIV. MATERIAL CONTRACTS AND THEIR PERFORMANCE

### (I) Custody, contracts and leases

#### 1. Custody

Not applicable

#### 2. Contracts

Not applicable

#### 3. Leases

Not applicable

# Significant Events

## (II) Guarantees

Unit: 0'000 Yuan Currency: RMB

### External guarantees provided by the Company (excluding guarantees for subsidiaries)

Guarantor	Relationship between the Guarantor and the listed company	Guarantee	Guarantee amount	Effective date of guarantee (execution date of the agreement)	Commencement date of guarantee	Expiration date of guarantee	Type of guarantee	Collateral (if any)	Guarantee fulfilled or not	Guarantee overdue or not	Amount of overdue guarantee	Counter Guarantee	Guarantee for connected party or not	Connected relationship
Heding Copper	Controlled subsidiary	Fuye Group	255,000	22 January 2024	1 January 2024	31 December 2024	Joint and several liability guarantee	Nil	No	No	0	Jiangxi Heil, Jiangxi Hefeng and Zhejiang Fuye Zhiye acted as counter-guarantors of Fuye Group and provided a joint and several guarantee to Heding Copper with all of their own assets.	Yes	participating shareholder

Total amount of guarantees incurred during the Reporting Period (excluding those to subsidiaries)	179,163
Total balance of guarantee at the end of the Reporting Period (A) (excluding those to subsidiaries)	71,665.2

### Guarantees provided by the Company and its subsidiaries for subsidiaries

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

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

Total amount of guarantees (A+B)	71,665.2
Percentage of total amount of guarantees over the net assets of the Company (%)	0.81

Including:

Amount of guarantees provided to Shareholders, de facto controllers and their connected parties (C)	0
Amount of debt guarantees directly or indirectly provided to guaranteed parties with a debt to asset ratio exceeding 70% (D)	0
Amount of total guarantees exceeding 50% of net assets (E)	0
Total amount of the above three amounts of guarantees (C+D+E)	0
Explanation on possible joint and several liability for liabilities settlement in case of outstanding guarantees	

## Significant Events

### Explanation on guarantee

1. The above guarantees are all corporate credit guarantees, and do not involve mortgage guarantees, pledge guarantees, etc.;
2. The total guarantee amount of the Company includes the balance of external guarantee provided by the Company and its subsidiaries at the end of the Reporting Period (excluding the guarantee for the subsidiaries) and the balance of the guarantee provided by the Company and its subsidiaries for subsidiaries, among which, the balance of guarantee of a subsidiary represents the total amount of external guarantee provided by that subsidiary multiplied by the percentage of the Company's shareholding in that subsidiary.

*Note:* On 22 January 2024, the 27th meeting of the ninth session of the Board considered and approved the external guarantee provided by Heding Copper, a controlled subsidiary of the Company (with 40% shareholding). In order to meet the needs of the actual production and operation of Heding Copper and reduce the financing cost, Heding Copper and Fuye Group intended to further increase mutual financing support. With Heding Copper acting as Party A, Fuye Group acting as Party B, Jiangxi Heli, Jiangxi Hefeng and Zhejiang Fuhe Zhiye acting as Party C, the parties entered into the Mutual Guarantee Agreement after negotiation, agreeing that during the period from 1 January 2024 to 31 December 2025, the annual accumulated balance of mutual guarantee (i.e., the daily balance limit) of Party A and Party B shall not exceed RMB2,550 million. For the avoidance of doubt, the guarantee balance of the guarantee contracts signed by both Party A and Party B before 1 January 2024 but still valid during the above period are also included in the maximum limit for the year. The time limit for signing each bank loan contract is from 1 January 2024 to 31 December 2024, and the loan period for each loan business shall not exceed 12 months. Party C acted as the counter-guarantors of Fuye Group and undertook counter-guarantee with joint and several liabilities to Heding Copper with all of their own assets.

# Significant Events

## (III) Entrusted cash assets management

### 1. Entrusted wealth management

#### (1) *Overall entrusted wealth management*

Not applicable

#### **Others**

Not applicable

#### (2) *Single entrusted wealth management*

Not applicable

#### **Others**

Not applicable

#### (3) *Provision for impairment of entrusted wealth management*

Not applicable

### 2. Entrusted loans

#### (1) *Overall entrusted loans*

Not applicable

#### **Others**

Not applicable

#### (2) *Single entrusted loans*

Not applicable

#### **Others**

Not applicable

#### (3) *Provision for impairment of entrusted loans*

Not applicable

## Significant Events

### 3. Others

Not applicable

### (IV) Other material contracts

Not applicable

## XV. EXPLANATION ON OTHER MATERIAL MATTERS THAT HAVE SIGNIFICANT IMPACT ON INVESTORS' VALUE JUDGEMENTS AND INVESTMENT DECISIONS

Not applicable

## XVI. ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

### (I) Environmental information

*Currency: RMB*

Whether relevant environmental protection mechanisms are established	Yes
Investment in environmental protection funds during the Reporting Period ( <i>unit: 100 million Yuan</i> )	4.04

## Significant Events

### (I) Explanation on environmental protection of the Company and its major subsidiaries falling into the category of major pollutant-emitting units designated by environmental protection authorities

#### (1) Information on emission of pollutants

Name of company	Name of major pollutants	Total emissions approved (t/a)	Total emissions (t)*	Emission concentration (mg/L)*	Pollutant emission standards implemented	Method of emission	Number of outlets	Distribution of outlets
Dexing Copper Mine	pH	/	/	7.33 (Dimensionless)	Standards in the table 2 of the "Emission Standard of Industrial Pollutants for Copper, Nickel and Cobalt" (GB25467-2010)	Direct emission	4	In the mining area
	COD	480	440.62	13.35				
	Ammonia nitrogen	108.11	29.49	0.89				
	Suspended solids	/	496.98	15.06				
	Total copper	/	0.707	0.021				
	Total lead	1.9683	0.148	0.004				
	Total zinc	/	1.805	0.0547				
	Total cadmium	0.8983	0.028	0.0008				
	Total chromium	/	0.066	0.002				
Jiangxi Copper Dexing Chemical Company Limited	Sulphur dioxide	750	156.55	162 (mg/m <sup>3</sup> )	"Emission Standards of Industrial Pollutants for Sulphuric Acid" (GB26132-2010)	Direct emission after Phase I and II acid production tail gas outlet, domestic discharge of sewage to the park sewage treatment plant	3	In the plant area
	Sulphuric acid mist	/	7.8359	6.05 (mg/m <sup>3</sup> )				
	Particulates	/	34.51	31.905 (mg/m <sup>3</sup> )				
	BODs	1.5	0.22	15.7				
Yongping Copper Mine	COD	297.57	190	8.24	Standards in the table 2 of "Emission Standard of Industrial Pollutants for Copper, Nickel and Cobalt" (GB25467-2010)	Organised emission after meeting standards	2	In the mining area
	Ammonia nitrogen	27.15	7.49	0.34				
	Total copper	/	0.24	0.0165				
	Total lead	/	0.05	0.0025				
	Total zinc	/	1.95	0.11				
	Total cadmium	/	0.3	0.0082				
	Suspended solids	/	744.94	35.83				
	pH	/	/	7.22 (Dimensionless)				
Jiangtong-Wengfu Chemical Engineering Company Limited	Sulphur dioxide	448	162.53	112.34 (mg/m <sup>3</sup> )	"Emission Standards of Industrial Pollutants for Sulphuric Acid" (GB26132-2010)	Organised emission after meeting standards	2	In the plant area
Wushan Copper Mine	COD	262.13	45.11	8.94	Standards in the table 2 of the "Emission Standard of Industrial Pollutants for Copper, Nickel and Cobalt" (GB25467-2010)	Organised emission after meeting standards	2	In the mining area
	pH	/	/	7.83 (Dimensionless)				
	Ammonia nitrogen	49.18	2.33	0.63				
	Suspended solids	/	49.25	9				
	Total copper	/	0.065	0.0012				
	Total zinc	/	0.0191	0.047				
	Total lead	3.06	0.032	0.005				
	Total cadmium	0.612	0.0035	0.0008				

## Significant Events

Name of company	Name of major pollutants	Total emissions approved (t/a)	Total emissions (t)*	Emission concentration (mg/L)*	Pollutant emission standards implemented	Method of emission	Number of outlets	Distribution of outlets
Chengmenshan Copper Mine	pH	/	/	7.58 (Dimensionless)	Standards in the table 2 of the "Emission Standard of Industrial Pollutants for Copper, Nickel and Cobalt" (GB25467-2010)	Direct emission	1	Yong'an Levee of the Yangtze River
	COD	180	175.55	38.96				
	Ammonia nitrogen	44.96	1.45	0.32				
	Total copper	/	0.306	0.068				
	Total lead	2.81	0.02472	0.005486				
	Total cadmium	0.562	0.00578	0.001282				
Yinshan Mining	pH	/	/	7.5 (Dimensionless)	Standards in the table 2 of the "Emission Standard of Industrial Pollutants for Copper, Nickel and Cobalt" (GB25467-2010)	Stabilised emission after meeting standards	2	In the mining area
	COD	157.4	79.4709	11.8942				
	Ammonia nitrogen	9.7	8.6982	1.3018				
	Suspended solids	/	99.8339	14.9418				
	Total copper	/	0.17488	0.02617				
	Total lead	0.6461	0.0583	0.00872				
	Total zinc	/	1.7296	0.25846				
	Total cadmium	0.0969	0.0128	0.00192				
	Total chromium	0.0646	0.000668	0.0001				
Guixi Smelter	COD	600	127.753	15.01				
	Ammonia nitrogen	80	13.047	1.53				
	Lead	5	0.595	0.07				
	Sulphur dioxide	6,450	462.251	37.28 (mg/m <sup>3</sup> )				
	Particulates	165	27.727	2.2 (mg/m <sup>3</sup> )				
JCC Guoxing	Sulphur dioxide	145.917	13.2368	6.27 (mg/m <sup>3</sup> )	Table 1 key control areas of "Integrated Emission Standards of Regional Air Pollutants" in Shandong Province (DB37/2376-2019)	Organised emission after meeting standards	18	In the plant area
	Nitrogen oxides	216.997	47.2757	22.39 (mg/m <sup>3</sup> )				
	Particulates	78.25	4.5065	2.13 (mg/m <sup>3</sup> )				
	Lead and its compounds	0.9356	0.005829	0.0028 (mg/m <sup>3</sup> )				
Jiangxi Copper (Qingyuan) Company Limited	Sulphur dioxide	36.007	26.94	73.88 (mg/m <sup>3</sup> )	Special emission limit of "Emission Standards of Industrial Pollutants for Recycled Copper, Aluminium, Lead and Zinc" (GB31574-2015) emission concentration limit for newly-built boilers in table 2 of "Emission Standards of Air Pollutants for Boilers" (GB13271-2019)	Organised emission after meeting standards	4	In the plant area
	Smoke (powder) dust	10.5153	8.86	6.45 (mg/m <sup>3</sup> )				
	Nitrogen oxides	30.943	21.56	57.03 (mg/m <sup>3</sup> )				
	Lead and its compounds	0.011	0.00056	0.0014 (mg/m <sup>3</sup> )				
	Cadmium and its compounds	0.3	0.000004	0.00069 (mg/m <sup>3</sup> )				
	Antimony and its compounds	1	0.000224	0.0046 (mg/m <sup>3</sup> )				
	Tin and its compounds	1.1	0.000233	0.00048 (mg/m <sup>3</sup> )				
	Chromium and its compounds	0.5	0.033482	0.068 (mg/m <sup>3</sup> )				
	Sulphuric acid mist	/	0.108258	1.28 (mg/m <sup>3</sup> )				



## Significant Events

Name of company	Name of major pollutants	Total emissions approved (t/a)	Total emissions (t)*	Emission concentration (mg/L)*	Pollutant emission standards implemented	Method of emission	Number of outlets	Distribution of outlets
JCC Longchang	pH	/	/	7.25 (Dimensionless)	Management Standards of	Indirect emission, discharge to Qingshan Lake Sewage Treatment Plant of Nanchang City	1	Sewage treatment station
	CODcr	/	0.39	52.2	Qingshan Lake Sewage			
	Ammonia nitrogen	/	0.044	5.68	Treatment Plant, Integrated			
	Suspended solids	/	0.069	9	Sewage Discharge			
	BOD5	/	0.14	18.6	Standards			
	Animal and vegetable oils	/	0.0032	0.42				
	Oil	/	0.0025	0.33				
	Total phosphorus	/	0.0076	0.99				
JCC Copper Foil	Total chromium	/	0.0091	0.0325	Table 1 of "Emission Standards of Water Pollutants for Electronic Industry" (GB39731-2020)	Enter copper-zinc adjusting tank from the outlet of workshop	1	Sewage station in the south of the plant
	Total phosphorus (in terms of P)	/	0.3485	1.3	Management Standards of Qingshan Lake Sewage Treatment Plant	Discharge to the municipal pipe network and then Qingshan Lake Sewage Treatment Plant	1	
	COD	/	28.0649	92.197				
Humon Smelting	Sulphur dioxide	239.323t	96.64t	7.74mg/m <sup>3</sup>	"Integrated Emission Standards of Regional Air Pollutants in Shandong Province" (DB/37 2376-2019)	Organised emission after meeting standards	9	In the plant area
							6	
	Nitrogen oxide	478.017t	289.32t	19.46mg/m <sup>3</sup>	"Shandong Industrial Kiln and Furnace Air Pollutant Emission Standards" (DB/37 2375-20192376-2019)		11	
	Particulates	45.2394t	25.57t	2.09mg/m <sup>3</sup>	"Shandong Industrial Kiln and Furnace Air Pollutant Emission Standards" (DB/37 2375-2019)			
	Lead	711.477kg	362.5kg	0.056mg/m <sup>3</sup>				
	Arsenic	273.296kg	145.1kg	0.017mg/m <sup>3</sup>				
Weihai Humon Mine Smelting Development Co., Ltd.	Sulphur dioxide	124.98t	0t	Not detected	"Integrated Emission Standards of Regional Air Pollutants in Shandong Province" (DB/37 2376-2019)		2	In the plant area
	Nitrogen oxides	217.07t	3.61t	68mg/m <sup>3</sup>				
	Particulates	42.92t	1.64t	5.0mg/m <sup>3</sup>				
	Fluoride	15.552t	0.34t	0.53mg/m <sup>3</sup>				
	Ammonia gas	/	0.37t	0.88mg/m <sup>3</sup>			1	

## Significant Events

### **(2) Construction and operation of pollution prevention and control facilities**

The Company has consistently adhered to its core philosophy of “Green Development and Environmental Protection Priority”, proactively adapting to the new landscape and requirements of safety and environmental protection while earnestly fulfilling its main responsibility for enterprise safety production. The Company has continuously increased its investment in environmental protection, vigorously advanced pollution prevention and control capabilities, and actively implemented multiple ecological restoration and environmental remediation projects. During the Reporting Period, the Company further strengthened the operation and maintenance of environmental protection facilities to ensure the stable and efficient operation of environmental protection facilities, with no major pollution incidents occurring during the Reporting Period.

### **(3) Environmental impact assessment and other environmental protection administrative licensing of construction projects**

1. Chengmenshan Copper Mine: On 6 November 2024, it obtained the Approval on the Environmental Impact Assessment Report for the Western Slope Expansion Project of the Phase II Open-Pit Mine at Jiangxi Copper Company Limited's Chengmenshan Copper Mine (Gan Huan Shen [2024] No. 80); On 31 December 2024, it obtained the Approval on the Environmental Impact Assessment Report for the Copper-Molybdenum Separation Project at Jiangxi Copper Company Limited's Chengmenshan Copper Mine (Jiu Huan Huan Ping [2024] No. 88); On 13 December 2024, it obtained the Approval on the Demonstration Report for the Setting of the Sewage Outlet to River (Expansion and Relocation) at Jiangxi Copper Company Limited's Chengmenshan Copper Mine (Jiu Huan Pai Shen [2024] No. 2).
2. Yongping Copper Mine: On 12 May 2024, it obtained the Approval Opinion on the Environmental Impact Assessment Report Form for the Tailings Filling System Renovation Project at Jiangxi Copper Company Limited's Yongping Copper Mine (Qian Huan Zi [2024] No. 23).
3. Yinshan Mining: On 5 September 2024, it obtained the Approval on the Environmental Impact Assessment Report for the Heightening and Capacity Expansion Project of the Fengshuling Tailings Pond of JCC Yinshan Mining Company Limited (Rao Huan Ping Zi [2024] No. 50).
4. Guixi Smelter: In 2024, it completed the Intelligent Renovation Project for Arsenic Trioxide Filling and Storage at Guixi Smelter and completed the environmental protection acceptance for the Ultra-Low Emission Renovation Project of Smelting System I Ring Environmental Collection Flue Gas Desulphurisation Equipment at Guixi Smelter.

## Significant Events

### **(4) Contingency plans for sudden environmental incidents**

The subsidiaries of the Company have formulated the “Contingency Plans for Sudden Environmental Incidents” and reported and filed to the environmental protection authorities, in order to effectively prevent, timely control and eliminate the harm caused by sudden environmental pollution incidents, establish and improve the response mechanism for sudden environmental pollution incidents, improve the ability of the Company in responding to sudden environmental pollution incidents, maximise prevention of and minimise sudden environmental pollution incidents and their losses, safeguard public safety, maintain social stability, and promote the comprehensive, coordinated and sustainable development of economy and society.

### **(5) Self-monitoring environmental programs**

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

Each production unit of the Group monitors the sources of pollution in accordance with national monitoring standards, such as COD and ammonia nitrogen in and pH of wastewater, and sulphur dioxide and smoke dust in exhaust gas, establish a relatively complete environmental monitoring record, and various types of environmental monitoring data can be reflected back in time to guide production, so as to discover and handle problems in time to prevent pollution accidents. In addition, the main production units of the Company have installed online monitoring devices at their outlets, which are connected to the government authorities. The daily average value of the online monitoring of state-controlled pollution sources of the Group is 100% in compliance.

## Significant Events

**(6) Administrative penalties imposed for environmental problems during the Reporting Period**

Not applicable

**(7) Other information about environmental protection that should be made public**

Environmental protection construction			
Environmental protection			
Company name	System establishment	Main measures	Reuse rate of industrial water (%)
Guixi Smelter	"Wastewater Control Process of Guixi Smelter", "Waste Gas Control Process of Guixi Smelter", "Solid Waste Control Process of Guixi Smelter", "Emergency Plan for Sudden Environmental Incidents of Guixi Smelter (2023 Version)"	Upgrading of waste gas online monitoring devices, and ultra-low emission transformation project of environmental flue gas collection and desulphurisation facility in the 1st smelting system	99.16
Dexing Copper Mine	"Environmental Protection Management Measures of Dexing Copper Mine", "Administrative Measures for Hazardous Solid Waste in Dexing Copper Mine (2024 Version)", "Measures for the Administration of General Industrial Solid Waste in Dexing Copper Mine (2024 Version)", "Full Staff Environmental Protection Responsibility System of Dexing Copper Mine (2022 Version)"	Research on advanced recovery technologies for ultra-lean and refractory copper tailings and application of shallow tank flotation equipment, and research on high-efficiency copper recovery technology from rhenium raffinate solutions	92.80
Wushan Copper Mine	"Wushan Copper Mine Environmental Protection Management System", "Wushan Copper Mine Environmental Protection Facilities Management System", "Measures for Assessing the Environmental Protection Targets of Wushan Copper Mine", "Measures for Assessing Rewards and Punishments for Ecological and Environmental Protection of Wushan Copper Mine (for Trial Implementation)"		94.19

## Significant Events

Environmental protection construction			
Environmental protection			Reuse rate of industrial water (%)
Company name	System establishment	Main measures	
Yongping Copper Mine	"Environmental Protection Administrative Measures of Yongping Copper Mine", "Environmental Protection Responsibility System of Yongping Copper Mine", "Measures for the Prevention and Control of Environmental Pollution by Solid Waste of Yongping Copper Mine", "Chemical Environmental Protection Reward and Punishment System of Jiangtong-Wengfu"		90.13
Chengmenshan Copper Mine	"Contingency Plan for Emergency Environmental Incidents of Chengmenshan Copper Mine", "Contingency Plan for Emergency Environmental Incidents of Chengmenshan Copper Mine Tailings Ponds of Jiangxi Copper Company Limited", "2024 Self-Monitoring Program of Chengmenshan Copper Mine"	Ecological restoration project for the land reclamation project in the southwest area of dumping sites, partial ecological restoration project for the east and west sides of dumping sites of Chengmenshan Copper Mine, ecological restoration project for the eastern +38 slope area, and ecological restoration project for the Heyetang area and its river and lake shoreline surrounding areas	99.27
Yinshan Mining	"Environmental Management System of JCC Yinshan Mining Company Limited", "Administrative Measures for the Operation of Environmental Protection Facilities of JCC Yinshan Mining Company Limited", "Environmental Monitoring Management System of JCC Yinshan Mining Company Limited"		91.85
Humon Smelting	"Ecological Environmental Protection Management System" including "Ecological Environmental Protection Responsibility System", "Environmental Protection Education and Training Management System", "Construction Project Ecological Environmental Protection Management System", "Pollution Prevention and Control Management System", "Environmental Monitoring Management System", "Environmental Protection Facilities Operation Management System" and etc.	Implementing projects such as comprehensive treatment and renovation of smelting wastewater, fully-enclosed renovation of raw material temporary storage area of the first smelting company, upgrading and renovation of the environmental flue gas collection and treatment facilities, environmental upgrading and renovation of material field, automation renovation of ionic liquid, etc.	98.42

## Significant Events

**(II) Explanation on environmental protection of companies other than major pollutant-emission units**

Not applicable

**(III) Information that is beneficial to ecological protection, prevention and control of pollution and fulfillment of environmental responsibilities**

Not applicable

**(IV) Measures taken to reduce its carbon emissions during the Reporting Period and their effectiveness**

Whether carbon reduction measures were taken or not

Yes

Reduced emissions of carbon dioxide equivalent  
(unit: tonne)

88,000

Types of carbon reduction measures (e.g. use of clean energy to generate electricity, use of carbon reduction technology in the production process, research, development and production of new products to help reduce carbon, etc.)

The Company actively implements carbon peak and carbon neutrality strategy, and synergistically promotes energy conservation and carbon reduction through measures such as technological innovation, energy substitution, and new product development. Dexing Copper Mine pioneered the domestic "first application of high-pressure roller mill to porphyry copper ore crushing operations", effectively mitigating the impact of difficult-to-grind ores on production and saving electricity and steel consumption in ball milling operations. After it is officially put into production, it is expected to save more than 3 million kWh of electricity annually and reduce carbon emissions by more than 1,600 tonnes per year. Guixi Smelter effectively reduced contact voltage drop by replacing cathode plate conductor bars in the electrolysis system, reducing the voltage drop in a single tank by about 30mv, leading to power savings of approximately 2.5 million kWh per year and emission reductions of approximately 1,300 tonnes per year. Meanwhile, the electrolyte circulation system has been further optimised by eliminating elevated tanks, installing high-efficiency circulation pumps and precisely controlling flow rate, resulting in power savings of approximately 2.6 million kWh per year and emission reductions of approximately 1,400 tonnes per year. The "1MWp Rooftop Photovoltaic Power Generation Project" under JCC Copper Foil's Phase IV expansion project was successfully grid-connected, bringing the company's total PV capacity to 3MWp, with the annual PV power generation totalling 2.828 million kWh, supplemented by 30.0874 million kWh of green power procurement, raising the clean energy share to 11.3% and reducing emissions by 17,662.4 tonnes. Additionally, Jiangxi Cable and Jiangxi Copper Technical Institution jointly developed energy-efficient photovoltaic cables with significant carbon reduction benefits. The product has passed third-party testing and obtained PCCC certification and German TUV certification.

# Significant Events

## (II) Social responsibility efforts

### (I) Whether a social responsibility report, sustainability report or ESG report is separately disclosed

The Company has disclosed the 2024 Environmental, Social and Governance Report of Jiangxi Copper Company Limited on 27 March 2025.

### (II) Details of social responsibility efforts

Currency: RMB

External donations and public welfare projects	Quantity/ Content	Explanation
Total investment (0'000 Yuan)	480	
Of which: Funds (0'000 Yuan)	180	
Equivalent of materials (0'000 Yuan)	300	
Number of beneficiaries (persons)		

Specific explanation

For details, please refer to the 2024 Environmental, Social and Governance Report of Jiangxi Copper Company Limited disclosed by the Company on 27 March 2025.



## Significant Events

### (III) Particulars of consolidating and expanding achievements of poverty alleviation and rural revitalisation

Currency: RMB

Poverty alleviation and rural revitalisation projects	Quantity/ Content	Explanation
Total investment (0'000 Yuan)	1,579.3	/
Of which: Funds (0'000 Yuan)	605	
Equivalent of materials (0'000 Yuan)	974.3	Among them, RMB1.3469 million for "New Year Consumption Assistance Initiative"; RMB1.7961 million for "Autumn Consumption Assistance Initiative"; RMB6.6 million for procurement of agricultural support materials
Number of beneficiaries (persons)		/
Forms of assistance (industry-based poverty alleviation, employment-based poverty alleviation, education-based poverty alleviation, etc.)	/	/

#### Specific explanation

The Company sets "walking in the front, vying for the forefront with courage, and acting for kindness" as its goal and makes every effort to draw a beautiful picture of rural revitalisation, characterised with "strong party building, charming countryside, prosperous industry, good governance and well-off life" through scientific planning, high-level promotion and proactive actions. For details, please refer to the 2024 Environmental, Social and Governance Report of Jiangxi Copper Company Limited disclosed by the Company on 27 March 2025.

## XVII. CHARGES ON THE GROUP ASSETS

Details of the charges on the Group assets are set out on page 34 in the "Management Discussion and Analysis" of this report.

## Significant Events

### **XVIII. FOREIGN EXCHANGE RISK**

The Group adopts RMB as the reporting currency. Where business in foreign currencies of the Company occurred, amounts in foreign currencies are translated into RMB and recorded at the median price of the exchange rates announced by the State Administration of Foreign Exchange on the date of business occurred. The year-end balance in the foreign currency account is translated into RMB based on the market exchange rate at the year end.

Domestically, although RMB is not a freely convertible currency, the PRC government is currently reforming the exchange rate system and adjusting exchange rates. Therefore, exchange rate fluctuations in RMB will have an impact on the Group's foreign exchange income and spending and the payment of dividends in Hong Kong dollars or other currencies. However, the Group believes that it is able to obtain sufficient foreign exchange to satisfy the various foreign exchange income and spending business.

The Group mainly operates its business in the PRC. Except for export sales, which are mainly transacted in US dollars, the Group currently mainly receives sales revenue in RMB. The Group's foreign exchange risks result primarily from the sales business and the purchase of foreign raw materials denominated in foreign currencies.

### **XIX. CONTINGENT LIABILITIES**

As at 31 December 2024, the Group had no contingent liabilities.

# Independent Auditor's Report

## To the shareholders of Jiangxi Copper Company Limited

*(Established in the People's Republic of China with limited liability)*

### OPINION

We have audited the consolidated financial statements of Jiangxi Copper Company Limited (the "Company") and its subsidiaries (the "Group") set out on pages 190 to 355, which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements including material accounting policies information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

### BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

# Independent Auditor's Report

## KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

### Key audit matter

### How our audit addressed the key audit matter

#### *Impairment of trade receivables and factoring receivables*

As at 31 December 2024, the Group had trade receivables and factoring receivables of approximately RMB11,074 million and RMB321 million, respectively, and an impairment allowance of trade receivables and factoring receivables of approximately RMB4,840 million and RMB196 million, respectively. Provision was made for lifetime expected credit losses ("ECLs") on trade receivables and for either a 12-month ECL or a lifetime ECL on factoring receivables.

Our audit procedures included, but were not limited to:

1. Obtaining an understanding of and testing the credit control procedures performed by management, including the procedures on periodic review of aged receivables and assessment on the ECL allowance of receivables;
2. Testing on a sample basis, the accuracy of the ageing profile of trade receivables by checking to the underlying sales invoices, sales contract and bank slips, and testing on a sample basis, the accuracy of the ageing profile of factoring receivables by checking to the underlying contracts and bank slips;

# Independent Auditor's Report

## KEY AUDIT MATTERS (CONTINUED)

### Key audit matter

### How our audit addressed the key audit matter

#### *Impairment of trade receivables and factoring receivables (Continued)*

Management applies judgement in assessing the ECLs. Trade receivables or factoring receivables relating to customers with known financial difficulties or significant doubt on collection are assessed individually for provision of impairment allowance. The remaining trade receivables or factoring receivables are grouped based on ageing of bills of various customer segments with similar loss patterns and collectively assessed for provision of impairment allowance. The ECL rates are determined based on historical credit loss experience and industry data of receivables with similar credit risk characteristics and adjusted to reflect current and forward-looking information such as macroeconomic factors affecting the ability of the customers to settle the receivables. The realisable values of collaterals based on valuation reports issued by the independent professional valuers engaged by management, involving judgements and assumptions, have been taken into account when individually and collectively assessing the ECLs for trade receivables or factoring receivables. Since the impairment assessment involves many judgements and assumptions, and in view of the significance of the amount, impairment of trade receivables and factoring receivables is considered as a key audit matter.

Related disclosures are included in note 3 "Significant accounting judgements and estimates", note 29 "Trade and bills receivables" and note 30 "Factoring receivables", respectively, to the consolidated financial statements.

3. Assessing the adequacy of the impairment allowance made with reference to the credit history of customers and industry data which were adjusted for forward-looking factors specific to the debtors, the economic environment, the realisable value of collateral and settlement records including default or delay in payments and actual collections after the end of the reporting period; and
4. For collateral with collateral valuation reports issued by the independent professional valuers engaged by management, reviewing the collateral valuation reports and testing the key assumptions and estimations used in the valuation with the assistance of our internal valuation specialists.

We also assessed the adequacy of the related disclosures in the notes to the consolidated financial statements.

# Independent Auditor's Report

## KEY AUDIT MATTERS (CONTINUED)

### Key audit matter

### How our audit addressed the key audit matter

#### *Goodwill impairment – gold related products cash-generating unit*

As at 31 December 2024, included in the consolidated statement of financial position was a goodwill balance of RMB1,318 million, of which the balance relating to the gold related products cash-generating unit ("CGU") was RMB1,266 million.

The Group is required to, at least annually, perform impairment assessments of goodwill. As at 31 December 2024, an independent professional valuer has been engaged by management to assist in the assessment of goodwill impairment. For the purpose of performing impairment assessments, goodwill has been allocated to the CGU. The impairment testing was performed by comparing the recoverable amount of the CGU and the carrying amount of the CGU. The determination of the recoverable amount of the underlying CGU involved estimates and judgements, including the future price of gold and related products, production costs, operating expenses, the growth rate used to estimate future cash flows and discount rate applied to these forecasted future cash flows of the underlying CGU. These estimates and judgements might be affected by unexpected changes in future market or economic conditions or discount rates applied. We identified the goodwill impairment as a key audit matter due to the complexity and significant judgements involved in the assessment process of management.

Related disclosures are included in note 3 "Significant accounting judgements" and estimates and note 20 "Goodwill", respectively, to the consolidated financial statements.

Our audit procedures included, but were not limited to:

1. Obtaining an understanding of, evaluating the design, and testing the operating effectiveness of management's key controls over the impairment assessment process;
2. Assessing the competency, capability and objectivity of the independent professional valuer engaged by management;
3. Assessing the adequacy of key assumptions used in the calculations, comprising the future price of gold and related products, production costs, operating expenses, growth rate and discount rate. When assessing these key assumptions, we discussed with management to obtain an understanding of and evaluate management's basis for determining the assumptions, and compared them to external industry outlook reports from a number of sources; and
4. Involving our internal valuation specialists to assist us in assessing the review of goodwill impairment.

We also assessed the adequacy of the related disclosures in the notes to the consolidated financial statements.

# Independent Auditor's Report

## OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report of the Group for the year ended 31 December 2024 (the "Annual Report"), but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and request that the correction be made.

## RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRSs Accounting Standard as issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.



# Independent Auditor's Report

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

# Independent Auditor's Report

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is HO Siu Fung, Terence. (practising certificate number: P04202)

*Ernst & Young*  
Certified Public Accountants  
Hong Kong  
27 March 2025

# Consolidated Statement of Profit or Loss

YEAR ENDED 31 DECEMBER 2024

	Notes	2024 RMB'000	2023 RMB'000
REVENUE	6	519,248,233	520,338,500
Cost of sales		(503,202,804)	(508,322,152)
Gross profit		16,045,429	12,016,348
Other income	7	2,643,772	2,718,415
Other gains and losses	8	(1,613,370)	328,462
Selling and distribution costs		(411,397)	(358,092)
Administrative expenses		(4,250,973)	(3,826,292)
Impairment losses on financial assets, net	9	(294,199)	(10,209)
Finance costs	10	(2,517,793)	(2,323,801)
Share of profits and losses of:			
Joint ventures	23	14,585	(10,325)
Associates	24	(576,651)	97,964
<b>PROFIT BEFORE TAX</b>	11	<b>9,039,403</b>	8,632,470
Income tax	14	(1,685,679)	(1,404,318)
<b>PROFIT FOR THE YEAR</b>		<b>7,353,724</b>	7,228,152
Attributable to :			
Owners of the Company		6,900,987	6,745,839
Non-controlling interests		452,737	482,313
		<b>7,353,724</b>	7,228,152
<b>EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY:</b>			
– Basic and diluted	16	<b>RMB2.00</b>	RMB1.95

# Consolidated Statement of Comprehensive Income

YEAR ENDED 31 DECEMBER 2024

	2024 RMB'000	2023 RMB'000
<b>PROFIT FOR THE YEAR</b>	<b>7,353,724</b>	<b>7,228,152</b>
<b>OTHER COMPREHENSIVE INCOME</b>		
Other comprehensive income to that may be reclassified to profit or loss in subsequent periods:		
Debt investments at fair value through other comprehensive income:		
Changes in fair value	1,037	—
Income tax effect	(259)	—
	<b>778</b>	<b>—</b>
Exchange differences on translation of foreign operations	<b>(98,093)</b>	156,178
Share and disposal of other comprehensive income from joint ventures	—	3,154
Share and disposal of other comprehensive income/(losses) from associates	<b>212,995</b>	(68,939)
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods, net of tax	<b>115,680</b>	90,393
Other comprehensive loss 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	5,591,933	(11,092,572)
Income tax effect	(200)	(186)
	<b>5,591,733</b>	<b>(11,092,758)</b>
Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods, net of tax	<b>5,591,733</b>	<b>(11,092,758)</b>
<b>OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX</b>	<b>5,707,413</b>	<b>(11,002,365)</b>
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX</b>	<b>13,061,137</b>	<b>(3,774,213)</b>
Attributable to:		
Owners of the Company	12,665,221	(4,356,242)
Non-controlling interests	395,916	582,029
	<b>13,061,137</b>	<b>(3,774,213)</b>

# Consolidated Statement of Comprehensive Income

YEAR ENDED 31 DECEMBER 2024

	Notes	2024 RMB'000	2023 RMB'000
<b>Non-current assets</b>			
Property, plant and equipment	17	37,076,721	32,821,221
Investment properties	18	933,640	862,161
Right-of-use assets	19(a)	4,311,192	4,469,411
Goodwill	20	1,318,169	1,327,305
Other intangible assets	21	3,467,612	3,544,222
Exploration and evaluation assets	22	495,457	593,703
Investments in joint ventures	23	35,806	25,321
Investments in associates	24	19,450,705	4,782,515
Financial instruments other than derivatives	25	1,193,270	8,933,090
Deferred tax assets	27	945,662	724,713
Prepayments, other receivables and other assets	31	3,176,820	1,030,259
Deposits for prepaid lease payments	31	579,158	653,349
Loans to related parties	32	504,577	321,386
Time deposits	33	4,643,947	1,587,689
Restricted bank deposits	33	—	4,458,748
<b>Total non-current assets</b>		<b>78,132,736</b>	<b>66,135,093</b>
<b>Current assets</b>			
Inventories	28	44,853,330	40,538,382
Trade and bills receivables	29	8,127,298	6,191,573
Factoring receivables	30	124,143	258,986
Prepayments, other receivables and other assets	31	15,495,078	6,429,806
Loans to related parties	32	2,843,528	2,029,960
Financial instruments other than derivatives	25	6,587,227	7,573,425
Derivative financial instruments	26	1,036,681	200,584
Time deposits	33	3,583,984	1,813,340
Restricted bank deposits	33	16,840,998	17,494,980
Cash and cash equivalents	33	15,502,833	19,484,777
<b>Total current assets</b>		<b>114,995,100</b>	<b>102,015,813</b>

# Consolidated Statement of Comprehensive Income

YEAR ENDED 31 DECEMBER 2024

	Notes	2024 RMB'000	2023 RMB'000
<b>Current liabilities</b>			
Trade and bills payables	34	10,914,662	14,973,229
Derivative financial instruments	26	636,915	687,511
Other payables and accruals	35	13,227,709	9,724,451
Deposits from related parties	36	10,074,862	6,116,216
Deferred revenue	37	70,685	64,021
Interest-bearing bank borrowings	38	47,776,953	37,453,136
Lease liabilities	19(b)	180,806	166,474
Corporate bonds	39	2,027,087	55,565
Tax payable		1,297,642	1,055,430
<b>Total current liabilities</b>		<b>86,207,321</b>	<b>70,296,033</b>
<b>Net current assets</b>		<b>28,787,779</b>	<b>31,719,780</b>
<b>Total assets less current liabilities</b>		<b>106,920,515</b>	<b>97,854,873</b>
<b>Non-current liabilities</b>			
Corporate bonds	39	3,216,242	5,049,838
Interest-bearing bank borrowings	38	13,915,134	13,589,186
Deposits from related parties	36	116,990	104,548
Lease liabilities	19(b)	203,688	368,759
Deferred tax liabilities	27	258,908	263,110
Provision for rehabilitation	40	313,107	295,312
Employee benefit liabilities	41	15,748	15,069
Deferred revenue	37	491,778	445,466
Other liabilities	42	586,863	974,920
<b>Total non-current liabilities</b>		<b>19,118,458</b>	<b>21,106,208</b>
<b>Net assets</b>		<b>87,802,057</b>	<b>76,748,665</b>

# Consolidated Statement of Comprehensive Income

YEAR ENDED 31 DECEMBER 2024

	Notes	2024 RMB'000	2023 RMB'000
<b>Equity</b>			
<b>Equity attributable to owners of the parent</b>			
Share capital	43	3,462,729	3,462,729
Treasury shares		(258,749)	–
Reserves	44	74,741,449	63,959,319
		<b>77,945,429</b>	67,422,048
Non-controlling interests		<b>9,856,628</b>	9,326,617
<b>Total equity</b>		<b>87,802,057</b>	76,748,665

Approved on behalf of the board of directors:

**Mr. Zheng Gaoqing**  
Director

**Mr. Yu Minxin**  
Director



# Consolidated Statement of Changes in Equity

YEAR ENDED 31 DECEMBER 2024

## For the year ended 31 December 2024

	Attributable to owners of the parent													Non-controlling interests	Total
	Share capital	Treasury shares	Share premium*	Capital reserve*	Other reserve*	Statutory surplus reserve*	Discretionary surplus reserve*	Safety fund surplus reserve*	Hedging 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			
As at 1 January 2024	3,462,729	–	12,647,502	(1,438,698)	(650,196)	5,844,155	9,647,574	652,251	–	506,472	36,750,259	67,422,048	9,326,617	76,748,665	
Profit for the year	–	–	–	–	–	–	–	–	–	–	6,900,987	6,900,987	452,737	7,353,724	
Other comprehensive income for the year															
Equity investments at fair value through other comprehensive income	–	–	–	–	5,591,105	–	–	–	–	–	–	5,591,105	628	5,591,733	
Debt investments at fair value through other comprehensive income	–	–	–	–	778	–	–	–	–	–	–	778	–	778	
Exchange differences on translation of foreign operations	–	–	–	–	–	–	–	–	–	(40,644)	–	(40,644)	(57,449)	(98,093)	
Share and disposal of other comprehensive income from joint ventures	–	–	–	–	–	–	–	–	–	212,995	–	212,995	–	212,995	
Transfer of fair value reserve upon the disposal of equity investments at fair value through other comprehensive income (note 24)	–	–	–	–	(5,031,705)	–	–	–	–	–	5,031,705	–	–	–	
Total comprehensive income for the year	–	–	–	–	560,178	–	–	–	–	172,351	11,932,692	12,665,221	395,916	13,061,137	
Contribution from non-controlling interests	–	–	–	–	–	–	–	–	–	–	–	–	304,469	304,469	
Acquisition of a subsidiary not under common control (note 4)	–	–	–	–	–	–	–	–	–	–	–	–	96,029	96,029	
Shares repurchased (note 43)	–	(258,749)	–	–	–	–	–	–	–	–	–	(258,749)	–	(258,749)	
Acquisition of non-controlling interests	–	–	–	(18,951)	–	–	–	–	–	–	–	(18,951)	(47,602)	(66,553)	
Final 2023 dividend declared	–	–	–	–	–	–	–	–	–	–	(2,071,373)	(2,071,373)	(218,801)	(2,290,174)	
Transfer from retained profits	–	–	–	–	–	673,998	–	(61,211)	–	–	(612,787)	–	–	–	
Others	–	–	–	207,233	–	–	–	–	–	–	–	207,233	–	207,233	
At 31 December 2024	3,462,729	(258,749)	12,647,502	(1,250,416)	(90,018)	6,518,153	9,647,574	591,040	–	678,823	45,998,791	77,945,429	9,856,628	87,802,057	

\* These reserve accounts comprise the consolidated reserves of RMB74,741,449,000 (2023: RMB63,959,319,000) in the consolidated statement of financial position.

# Consolidated Statement of Changes in Equity

YEAR ENDED 31 DECEMBER 2024

For the year ended 31 December 2023

	Attributable to owners of the parent												Non-controlling interests	Total
	Share capital	Share premium*	Capital reserve*	Other reserve*	Statutory surplus reserve*	Discretionary surplus reserve*	Safety fund surplus reserve*	Hedging 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			
As at 1 January 2023	3,462,729	12,647,502	(1,429,703)	10,443,157	5,492,319	9,647,574	411,521	–	515,200	32,328,351	73,518,650	8,431,507	81,950,157	
Profit for the year	–	–	–	–	–	–	–	–	–	6,745,839	6,745,839	482,313	7,228,152	
Other comprehensive income for the year														
Equity investments at fair value through other comprehensive income	–	–	–	(11,093,353)	–	–	–	–	–	–	(11,093,353)	595	(11,092,758)	
Exchange differences on translation of foreign operations	–	–	–	–	–	–	–	–	57,057	–	57,057	99,121	156,178	
Share and disposal of other comprehensive income from joint ventures	–	–	–	–	–	–	–	–	3,154	–	3,154	–	3,154	
Share and disposal of other comprehensive loss from associates	–	–	–	–	–	–	–	–	(68,939)	–	(68,939)	–	(68,939)	
Total comprehensive income/(loss) for the year	–	–	–	(11,093,353)	–	–	–	–	(8,728)	6,745,839	(4,356,242)	582,029	(3,774,213)	
Contribution from non-controlling interests	–	–	–	–	–	–	–	–	–	–	–	468,106	468,106	
Acquisition of a subsidiary not under common control	–	–	–	–	–	–	–	–	–	–	–	11,070	11,070	
Dividends paid to non-controlling interests	–	–	–	–	–	–	–	–	–	–	–	(229,428)	(229,428)	
Final 2023 dividend declared	–	–	–	–	–	–	–	–	–	(1,731,365)	(1,731,365)	–	(1,731,365)	
Transfer from retained profits	–	–	–	–	351,836	–	240,730	–	–	(592,566)	–	–	–	
Disposal of a subsidiary	–	–	–	–	–	–	–	–	–	–	–	63,333	63,333	
Others	–	–	(8,995)	–	–	–	–	–	–	–	(8,995)	–	(8,995)	
At 31 December 2023	3,462,729	12,647,502	(1,438,698)	(650,196)	5,844,155	9,647,574	652,251	–	506,472	36,750,259	67,422,048	9,326,617	76,748,665	

# Consolidated Statement of Cash Flows

YEAR ENDED 31 DECEMBER 2024

	<i>Notes</i>	<b>2024</b> <b>RMB'000</b>	2023 RMB'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		<b>9,039,403</b>	8,632,470
Adjustments for:			
Finance costs	10	<b>2,517,793</b>	2,323,801
Foreign exchange gains, net	8	<b>72,902</b>	(172,144)
(Gains)/losses on other financial instruments, net:			
– Listed debentures	8	<b>(91,766)</b>	(106,742)
– Listed equity investments	8	<b>921</b>	(544)
– Investments in financial products	8	<b>(276,386)</b>	(202,383)
Net losses on disposal of, net:			
– Items of property, plant and equipment	8	<b>41,283</b>	50,829
Fair value (gains)/losses, net:			
– Derivative financial instruments	8	<b>(266,678)</b>	(354,401)
– Listed equity investments	8	<b>10,718</b>	12,223
– Unlisted equity investments	8	<b>(41,367)</b>	(71,424)
– Income right attached to a target equity interest	8	<b>67,230</b>	–
– Debt instruments	8	<b>90,485</b>	(6,075)
Provision for/(reversal of) impairment of:			
– Trade and bills receivables	9	<b>215,063</b>	(21,774)
– Factoring receivables	9	<b>9,262</b>	23,794
– Other receivables	9	<b>46,637</b>	11,930
– Loans to related parties	9	<b>23,237</b>	(3,741)
– Right-of-use assets	8	<b>14,938</b>	–
– Property, plant and equipment	8	<b>264,884</b>	190,642
– Interests in an associate	8	<b>–</b>	57,403
– Investment Properties	8	<b>5,569</b>	–
– Goodwill	8	<b>17,189</b>	–

# Consolidated Statement of Cash Flows

YEAR ENDED 31 DECEMBER 2024

	Notes	2024 RMB'000	2023 RMB'000
Provision for impairment of inventories to net realisable value	11	658,502	633,355
Depreciation/amortisation of:			
– Property, plant and equipment	11	2,406,546	2,257,806
– Right-of-use assets	11	298,774	299,846
– Investment properties	11	32,243	31,879
– Other intangible assets	11	258,234	258,381
Dividend income from equity investments	7	(20,653)	(167,060)
Share of losses/(gains) of joint ventures and associates	23,24	562,066	(87,639)
Losses/(gains) on disposal of interests in a subsidiary	8	2,547	(21,591)
Losses/(gains) on disposal of interests in associates	8	7,100	(60,851)
Unwinding of an interest in rehabilitation provision	40	17,795	14,940
Gains from transfer of a financial asset to investments in an associate	8	(352,649)	–
Deferred revenue released to the statement of profit or loss	37	(69,303)	(67,779)
		<b>15,562,519</b>	13,455,151
Increase in inventories		(5,548,511)	(3,215,137)
(Increase)/decrease in trade and bills receivables		(1,922,514)	433,623
Decrease in factoring receivables		10,321	10,013
(Increase) in prepayments, other receivables and other assets		(10,177,829)	(360,502)
(Increase)/decrease in derivative financial instruments		(5,315)	3,225
(Increase)/decrease in loans to related parties		(1,019,996)	186,212
Decrease in restricted bank deposits		4,271,908	459,607
(Decrease)/increase in trade and bills payables		(4,161,324)	1,154,470
Increase in other payables and accruals		3,204,676	559,915
Increase/(decrease) in deposits from related parties		3,971,088	(219,162)
Cash generated from operations		<b>4,185,023</b>	12,467,415
Income tax paid		(1,677,176)	(1,536,238)
<b>Net cash flows from operating activities</b>		<b>2,507,847</b>	10,931,177

# Consolidated Statement of Cash Flows

YEAR ENDED 31 DECEMBER 2024

	Notes	2024 RMB'000	2023 RMB'000
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from disposal of financial investments		22,011,536	20,924,947
Dividend received from a joint venture		4,100	7,500
Dividend received from an associate		62,155	129,790
Proceeds from disposal of property, plant and equipment		39,394	45,485
Proceeds from disposal of other intangible assets		5	725
Losses from disposal of a subsidiary		—	(854)
Proceeds from disposal of an associate		—	5,714
Additional investments in associates		(292)	(116,020)
Acquisition of subsidiaries and business combinations		(90,769)	(133,699)
Purchases of financial investments		(27,738,651)	(22,280,431)
Purchases of property, plant and equipment		(6,425,416)	(6,521,870)
Purchases of exploration and evaluation assets		(20,400)	(747)
Additions to right-of-use assets		(117,878)	(232,585)
Purchases of other intangible assets		(26,858)	(56,170)
<b>Net cash used in investing activities</b>		<b>(12,303,074)</b>	<b>(8,228,215)</b>

# Consolidated Statement of Cash Flows

YEAR ENDED 31 DECEMBER 2024

	Notes	2024 RMB'000	2023 RMB'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
New bank and other borrowings		127,732,921	108,354,718
New corporate bond issued		1,089,957	1,997,430
Increase of pledged time deposits to secure bank borrowings		(900,000)	(12,012,249)
Repayment of bank and other borrowings		(117,050,562)	(92,891,563)
Repurchase of shares		(258,749)	–
Principal portion of lease payments		(186,612)	(186,758)
Dividends paid		(2,071,373)	(1,731,365)
Dividends paid to non-controlling interests		(218,801)	(229,428)
Interest paid		(2,643,559)	(1,836,167)
Acquisition of non-controlling interests		(65,053)	–
Contribution from non-controlling interests		304,469	468,106
<b>Net cash flows from financing activities</b>		<b>5,732,638</b>	<b>1,932,724</b>
Net (decrease)/increase in cash and cash equivalents		(4,062,589)	4,635,686
Cash and cash equivalents at beginning of year		19,484,777	14,727,876
Effect of foreign exchange rate changes, net		80,645	121,215
<b>Cash and cash equivalents at end of year</b>	33	<b>15,502,833</b>	<b>19,484,777</b>

# Notes to Financial Statements

31 DECEMBER 2024

## 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 license 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, the Company’s penultimate controlling party is Jiangxi State-owned Capital Operation Holding Group Co. Ltd, 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 an 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 and bismuth.



# Notes to Financial Statements

31 DECEMBER 2024

## 1. CORPORATE INFORMATION (CONTINUED)

### Information about subsidiaries

Particulars of the Company's principal subsidiaries are as follows:

Name of subsidiary	Type	Place of incorporation/ establishment and operations	Nominal value of paid-up/registered capital	Proportion of nominal value of issued ordinary share capital held by the Company		Principal activities
				Directly	Indirectly	
江西銅業集團財務有限公司 JCC Finance Company Limited ("Finance Company") (a)	LLC	PRC/Mainland China	RMB1,000,000,000	98.33%	1.67%	Provision of deposits, loans, guarantees and financing consultation services to related parties
江銅國際貿易有限公司 Jiangxi Copper International Trade Company Limited ("JXCC International Trade")	LLC	PRC/Mainland China	RMB1,016,091,000	59.05%	–	Sale of metals, chemicals, mining products, construction materials
浙江江銅富冶和 鼎銅業有限公司 Zhejiang JCC Fuye Heding Copper Company Limited ("Fuye Heding") (b)	LLC	PRC/Mainland China	RMB1,280,000,000	40.00%	–	Manufacture and sale of copper products

# Notes to Financial Statements

31 DECEMBER 2024

## 1. CORPORATE INFORMATION (CONTINUED)

### Information about subsidiaries (Continued)

Particulars of the Company's principal subsidiaries are as follows: (Continued)

Name of subsidiary	Type	Place of incorporation/ establishment and operations	Nominal value of paid- up/registered capital	Proportion of nominal value of issued ordinary share capital held by the Company		Principal activities
				Directly	Indirectly	
江西銅業(香港)投資 有限公司 Jiangxi Copper Hong Kong Investment Limited ("Hong Kong Investment")	LLC	Hong Kong	USD1,052,080,000	100.00%	–	Mining investment
江西銅業(深圳)國際投資控 股有限公司 Jiangxi Copper (Shenzhen) International Investment Holding Co., Ltd. ("Shenzhen International")	LLC	PRC/Mainland China	RMB1,662,000,000	100.00%	–	Import and export trade of non-ferrous metals, minerals and other products
山東恒邦冶煉股份有限公司 Shandong Humon Smelting Co., Ltd. ("Shandong Humon") (c)	LLC	PRC/Mainland China	RMB910,400,000	44.48%	–	Production, processing and sale of precious metals and non-ferrous metals

- (a) The Company hold 1.67% of Finance Company indirectly through Jiangxi Copper Products Company Limited, a subsidiary of the Company.
- (b) On 1 October 2015, the Company entered into an acting-in-concert agreement with another vote holder of Fuye Heding, resulting in the Company having the majority of the voting rights thereafter. Accordingly, the board of directors of the Company considered that the Company has control over Fuye Heding and has consolidated it as a subsidiary since 1 October 2015.
- (c) The Company controls Shandong Humon through de facto control. Details are given in note 3 to the financial statements.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the total asset, total revenues or profit before tax of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

# Notes to Financial Statements

31 DECEMBER 2024

## 2. ACCOUNTING POLICIES

### 2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRSs”) (which include all International Financial Reporting Standards, International Accounting Standards (“IASs”) and Interpretations) issued by the International Accounting Standards Board (“IASB”), and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for derivative financial instruments, certain debt and equity instruments which have been measured at fair value. These financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand except when otherwise indicated.

#### **Basis of consolidation**

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2024. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.1 BASIS OF PREPARATION (CONTINUED)

### Basis of consolidation (Continued)

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised IFRSs for the first time for the current year's financial statements.

Amendments to IFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to IAS 1	<i>Classification of Liabilities as Current or Non-current</i> <i>(the "2020 Amendments")</i>
Amendments to IAS 1	<i>Non-current Liabilities with Covenants (the "2022</i> <i>Amendments")</i>
Amendments to IAS 7 and IFRS 7	<i>Supplier Finance Arrangements</i>

# Notes to Financial Statements

31 DECEMBER 2024

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

The nature and the impact of the revised IFRSs that are applicable to the Group are described below:

- (a) Amendments to IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of IFRS 16, the amendments did not have any impact on the financial position or performance of the Group.
- (b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

- (c) Amendments to IAS 7 and IFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the Group's financial statements.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised IFRSs, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these revised IFRSs, if applicable, when they become effective.

IFRS 18	<i>Presentation and Disclosure in Financial Statements<sup>3</sup></i>
IFRS 19	<i>Subsidiaries without Public Accountability: Disclosures<sup>3</sup></i>
Amendments to IFRS 9 and IFRS 7	<i>Contracts Referencing Nature-dependent Electricity<sup>2</sup></i>
Amendments to IFRS 9 and IFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments<sup>2</sup></i>
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture<sup>4</sup></i>
Amendments to IAS 21	<i>Lack of Exchangeability<sup>1</sup></i>
Annual Improvements to IFRS Accounting Standards – Volume 11	<i>Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7<sup>2</sup></i>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2025

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2026

<sup>3</sup> Effective for annual/reporting periods beginning on or after 1 January 2027

<sup>4</sup> No mandatory effective date yet determined but available for adoption

Further information about those IFRSs that are expected to be applicable to the Group is described below.

IFRS 18 replaces IAS 1 *Presentation of Financial Statements*. While a number of sections have been brought forward from IAS 1 with limited changes, IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

IFRS 19 allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRSs. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10 *Consolidated Financial Statements*, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements available for public use which comply with IFRSs. Earlier application is permitted. As the Company is a listed company, it is not eligible to elect to apply IFRS 19.

Amendments to IFRS 9 and IFRS 7 clarify *Amendments to the Classification and Measurement of Financial Instruments* the date on which a financial asset or financial liability is derecognised and introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. The amendments shall be applied retrospectively with an adjustment to opening retained profits (or other component of equity) at the initial application date. Prior periods are not required to be restated and can only be restated without the use of hindsight. Earlier application of either all the amendments at the same time or only the amendments related to the classification of financial assets is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.



# Notes to Financial Statements

31 DECEMBER 2024

## 2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

Amendments to IFRS 9 and IFRS 7 *Contracts Referencing Nature-dependent Electricity* clarify the application of the “own-use” requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity’s financial performance and future cash flows. The amendments relating to the own-use exception shall be applied retrospectively. Prior periods are not required to be restated and can only be restated without the use of hindsight. The amendments relating to the hedge accounting shall be applied prospectively to new hedging relationships designated on or after the date of initial application. Earlier application is permitted. The amendments to IFRS 9 and IFRS 7 shall be applied at the same time. The amendments are not expected to have any significant impact on the Group’s financial statements.

Amendments to IFRS 10 and IAS 28 address an inconsistency between the requirements in IFRS 10 and in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss resulting from a downstream transaction when the sale or contribution of assets constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor’s profit or loss only to the extent of the unrelated investor’s interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to IFRS 10 and IAS 28 was removed by the IASB. However, the amendments are available for adoption now.

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. Earlier application is permitted. When applying the amendments, an entity cannot restate comparative information. Any cumulative effect of initially applying the amendments shall be recognized as an adjustment to the opening balance of retained profits or to the cumulative amount of translation differences accumulated in a separate component of equity, where appropriate, at the date of initial application. The amendments are not expected to have any significant impact on the Group’s financial statements. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in IAS 1 are moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which is renamed as IAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of IFRS 18, limited, but widely applicable, amendments are made to IAS 7 *Statement of Cash Flows*, IAS 33 *Earnings per Share* and IAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other IFRSs. IFRS 18 and the consequential amendments to other IFRSs are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of IFRS 18 on the presentation and disclosure of the Group’s financial statements.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

Annual Improvements to IFRS Accounting Standards – Volume 11 set out amendments to IFRS 1, IFRS 7 (and the accompanying Guidance on implementing IFRS 7), IFRS 9, IFRS 10 and IAS 7. Details of the amendments that are expected to be applicable to the Group are as follows:

- **IFRS 7 Financial Instruments: Disclosures:** The amendments have updated certain wording in paragraph B38 of IFRS 7 and paragraphs IG1, IG14 and IG20B of the Guidance on implementing IFRS 7 for the purpose of simplification or achieving consistency with other paragraphs in the standard and/or with the concepts and terminology used in other standards. In addition, the amendments clarify that the Guidance on implementing IFRS 7 does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7 nor does it create additional requirements. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.
- **IFRS 9 Financial Instruments:** The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply paragraph 3.3.3 of IFRS 9 and recognise any resulting gain or loss in profit or loss. In addition, the amendments have updated certain wording in paragraph 5.1.3 of IFRS 9 and Appendix A of IFRS 9 to remove potential confusion. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.
- **IFRS 10 Consolidated Financial Statements:** The amendments clarify that the relationship described in paragraph B74 of IFRS 10 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor, which removes the inconsistency with the requirement in paragraph B73 of IFRS 10. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.
- **IAS 7 Statement of Cash Flows:** The amendments replace the term “cost method” with “at cost” in paragraph 37 of IAS 7 following the prior deletion of the definition of “cost method”. Earlier application is permitted. The amendments are not expected to have any impact on the Group's financial statements.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Investments in associates and joint ventures

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in associates and joint ventures are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses.

The Group's share of the post-acquisition results and other comprehensive income of associates and joint ventures is included in the consolidated statement of profit or loss and consolidated other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's investments in the associates or joint ventures, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of associates or joint ventures is included as part of the Group's investments in associates or joint ventures.

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree. The comparative amounts in the consolidated financial statements are presented as if the entities or businesses had been combined at the previous financial year end or when they first came under common control, whichever is shorter.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or other comprehensive income, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Business combinations and goodwill (Continued)

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Fair value measurement

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

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

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

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

- Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, financial assets, investment properties and non-current assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises.



# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
  - (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of the key management personnel of the Group or of a parent of the Group;
- or
- (b) the party is an entity where any of the following conditions applies:
  - (i) the entity and the Group are members of the same group;
  - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
  - (iii) the entity and the Group are joint ventures of the same third party;
  - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group; and the sponsoring employers of the post-employment benefit plan;
  - (vi) the entity is controlled or jointly controlled by a person identified in (a);
  - (vii) a person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
  - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. When an item of property, plant and equipment is classified as held for sale or when it is part of a disposal group classified as held for sale, it is not depreciated and is accounted for in accordance with IFRS 5, as further explained in the accounting policy for “Non-current assets and disposal groups held for sale”. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

	Useful lives
Buildings and mining infrastructure	12 – 45 years
Machinery	8 – 27 years
Motor vehicles	4 – 13 years
Office equipment	5 – 10 years

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Property, plant and equipment and depreciation (Continued)

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress is stated at cost less any impairment losses, and is not depreciated. It is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

### Investment properties

Investment properties are interests in land and buildings (including right-of-use assets) held to earn rental income and/or for capital appreciation. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, the Group uses the cost model to measure all of its investment properties.

Depreciation is calculated on the straight-line basis to write off the cost to investment property's residual value over its estimated useful life. The estimated useful lives are as follows:

#### Useful lives

Commercial properties	20 – 50 years
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The carrying amounts of investment properties measured using the cost method are reviewed for impairment when events or changes in circumstances indicate that the carrying amounts may not be recoverable.

Any gains or losses on the retirement or disposal of an investment property are recognised in the statement of profit or loss in the year of the retirement or disposal.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Non-current assets and disposal groups held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sales transaction rather than through continuing use. For this to be the case, the asset or disposal group must be available for immediate sale in its present condition subject only to terms that are usual and customary for the sale of such assets or disposal groups and its sale must be highly probable. All assets and liabilities of a subsidiary classified as a disposal group are reclassified as held for sale regardless of whether the Group retains a non-controlling interest in its former subsidiary after the sale.

Non-current assets and disposal groups (other than investment properties and financial assets) classified as held for sale are measured at the lower of their carrying amounts and fair values less costs to sell. Property, plant and equipment and intangible assets classified as held for sale are not depreciated or amortised.

### Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Intangible assets (other than goodwill) (Continued)

The useful lives of intangible assets are assessed to be either finite or indefinite and are shown below:

	Useful lives
Mining rights	10 – 50 years
Trademarks	20 years
Vendor contracts	18 years
Others	5 – 20 years

The Group's intangible assets are mainly with finite useful lives. Intangible assets with finite lives are subsequently amortised over the shorter of their useful economic lives and the licence period and are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

### Exploration and evaluation assets

Exploration and evaluation assets are stated at cost less impairment losses. Exploration and evaluation assets are mainly comprised of cost to acquire exploration rights as well as expenditures incurred during topographical exploration process, including topographical and geological surveys, exploratory drilling, sampling and trenching and activities in relation to commercial and technical feasibility studies. If any project is abandoned, the total expenditure thereon will be written off in the statement of profit or loss.

### Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Leases (Continued)

#### Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### (a) *Right-of-use assets*

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

	Useful lives
Leasehold land	25 – 50 years
Buildings	2 – 10 years
Machinery and vehicles	5 – 10 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

#### (b) *Lease liabilities*

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

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Leases (Continued)

#### Group as a lessee (Continued)

##### **(b) Lease liabilities (Continued)**

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

##### **(c) Short-term leases and leases of low-value assets**

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment and laptop computers that are considered to be of low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.



# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Leases (Continued)

#### Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee are accounted for as finance leases.

### Investments and other financial assets

#### Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition" below.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Investments and other financial assets (Continued)

#### Initial recognition and measurement (Continued)

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

#### Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

#### *Financial assets at amortised cost (debt instruments)*

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Investments and other financial assets (Continued)

#### ***Financial assets at fair value through other comprehensive income (debt instruments)***

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to the statement of profit or loss.

#### ***Financial assets designated at fair value through other comprehensive income (equity investments)***

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under IAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the statement of profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

#### ***Financial assets at fair value through profit or loss***

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments and equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on the equity investments are also recognised as other income in the statement of profit or loss when the right of payment has been established.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Investments and other financial assets (Continued)

#### *Financial assets at fair value through profit or loss (Continued)*

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in the statement of profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

### Derecognition of financial assets

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

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

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Investments and other financial assets (Continued)

#### Derecognition of financial assets (Continued)

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

#### Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

#### General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information. The Group considers that there has been a significant increase in credit risk when contractual payments are more than 360 days past due.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Impairment of financial assets (Continued)

#### General approach (Continued)

The Group considers a financial asset in default when contractual payments are 3 years past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

For debt investments at fair value through other comprehensive income, the Group applies the low credit risk simplification. At each reporting date, the Group evaluates whether the debt investments are considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the external credit ratings of the debt investments.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and contract assets which apply the simplified approach as detailed below.

- |         |   |
|---------|---|
| Stage 1 | –Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs   |
| Stage 2 | –Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs |
| Stage 3 | –Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs                          |

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Impairment of financial assets (Continued)

#### Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The realisable values of collateral have been taken into account when individually and collectively assessing the ECL for trade receivables.

For trade receivables that contain a significant financing component and lease receivables, the Group chooses as its accounting policy to adopt the simplified approach in calculating ECLs with policies as described above.

### Financial liabilities

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and bill payables, other payables and accruals, deposits from related parties, derivative financial instruments and interest-bearing bank borrowings, corporate bonds and other liabilities.



# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Financial liabilities (Continued)

#### Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

#### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. The net fair value gain or loss recognised in the statement of profit or loss does not include any interest charged on these financial liabilities.

Financial liabilities designated upon initial recognition as at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. Gains or losses on liabilities designated at fair value through profit or loss are recognised in the statement of profit or loss, except for the gains or losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to the statement of profit or loss. The net fair value gain or loss recognised in the statement of profit or loss does not include any interest charged on these financial liabilities.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Financial liabilities (Continued)

#### **Financial liabilities at amortised cost (trade and bill payables, other payables and accruals, deposits from related parties, interest-bearing bank borrowings and corporate bonds)**

After initial recognition, trade and bill payables, other payables and accruals, deposits from related parties, and interest-bearing bank borrowings and corporate bonds are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

#### **Financial guarantee contracts**

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contracts at the higher of: (i) the ECL allowance determined in accordance with the policy as set out in "Impairment of financial assets"; and (ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Financial liabilities (Continued)

#### Convertible bonds

The component of convertible bonds that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs. On issuance of convertible bonds, the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond; and this amount is carried as a long term liability on the amortised cost basis until extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in shareholders' equity, net of transaction costs. The carrying amount of the conversion option is not remeasured in subsequent years. Transaction costs are apportioned between the liability and equity components of the convertible bonds based on the allocation of proceeds to the liability and equity components when the instruments are first recognised.

#### Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

#### Offsetting of financial instruments

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

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Derivative financial instruments and hedge accounting

#### Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risk and interest rate risk, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The fair value of commodity purchase contracts that meet the definition of a derivative as defined by IFRS 9 is recognised in the statement of profit or loss as cost of sales. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Group's expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in fair value of derivatives are taken directly to the statement of profit or loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and later reclassified to profit or loss when the hedged item affects profit or loss.

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

- fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment; or
- cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction, or a foreign currency risk in an unrecognised firm commitment; or
- hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting, the risk management objective and its strategy for undertaking the hedge.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Derivative financial instruments and hedge accounting (Continued)

#### Initial recognition and subsequent measurement (Continued)

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is “an economic relationship” between the hedged item and the hedging instrument.
- The effect of credit risk does not “dominate the value changes” that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Derivative financial instruments and hedge accounting (Continued)

#### Initial recognition and subsequent measurement (Continued)

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

##### *Fair value hedges*

The change in the fair value of a hedging instrument is recognised in the statement of profit or loss as other expenses. The change in the fair value of the hedged item attributable to the risk hedged is recorded as a part of the carrying amount of the hedged item and is also recognised in the statement of profit or loss as other expenses.

For fair value hedges relating to items carried at amortised cost, the adjustment to carrying value is amortised through the statement of profit or loss over the remaining term of the hedge using the effective interest rate method. Effective interest rate amortisation may begin as soon as an adjustment exists and shall begin no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged. If the hedged item is derecognised, the unamortised fair value is recognised immediately in the statement of profit or loss.

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

##### *Treasury shares*

Own equity instruments which are reacquired and held by the Group (treasury shares) are recognised directly in equity at cost. No gain or loss is recognised in the statement of profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Cost of inventories also includes gains and losses on qualifying fair value hedge in respect of inventories designated as hedged items. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

To the extent to which more than one finished product is obtained from the mineral resource ("joint products"), all joint production costs are apportioned between the resulting finished products by reference to their estimated realisable values at the point where those joint products become physically separated.

Those costs of removing waste materials or "stripping costs" incurred during the production phase of a mine are included in the cost of inventories extracted during the period in which the stripping costs are incurred.

### Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.



# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statement of profit or loss.

Provisions for the Group's obligations for environment rehabilitation are based on estimates of required expenditure at the mines in accordance with PRC rules and regulations. The Group estimates its provisions for environment rehabilitation cost at closure of mine based upon detailed calculations of the amount and timing of the future cash expenditure to perform the required work. Spending estimates are escalated for inflation, then discounted at a discount rate that reflects current market assessments of the time value of money and the risks specific to the liability such that the amount of provision reflects the present value of the expenditures expected to be required to settle the obligation. The Group records a corresponding asset in the period in which the liability is incurred. The asset is depreciated using the straight-line method over its expected life and the liability is accreted to the projected expenditure date. As changes in estimates occur (such as mine plan revisions, changes in estimated costs, or changes in timing of the performance of reclamation activities), the revisions to the obligation and asset are recognised at the appropriate discount rate.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except that deferred tax is not recognised for the Pillar Two income taxes.

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

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Income tax (Continued)

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to the statement of profit or loss by way of a reduced depreciation charge.

Where the Group receives grants of non-monetary assets, the grants are recorded at the fair value of the non-monetary assets and released to the statement of profit or loss over the expected useful lives of the relevant assets by equal annual instalments.

### Revenue recognition

#### Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Revenue recognition (Continued)

#### Revenue from contracts with customers (Continued)

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

#### **(a) Sale of goods**

The Group generally recognises revenue at the point of transfer of the control of goods on the basis of a combination of the following factors: the current right to collect the goods, the transfer of major risks and benefits in the ownership of the goods, the transfer of the legal ownership of the goods, the transfer of physical assets of the goods and that the customers have accepted the goods.

#### **(b) Construction services**

Revenue from the provision of construction services is recognised over time, using an input method to measure progress towards complete satisfaction of the service, because the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced. The input method recognises revenue based on the proportion of the actual costs incurred relative to the estimated total costs for satisfaction of the construction services.

Claims to customers are amounts that the Group seeks to collect from the customers as reimbursement of costs and margins for scope of works not included in the original construction contract. Claims are accounted for as variable consideration and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Group uses the expected value method to estimate the amounts of claims because this method best predicts the amount of variable consideration to which the Group will be entitled.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Revenue recognition (Continued)

#### Revenue from contracts with customers (Continued)

##### **(c) Other service income**

Other service income, including income from sub-contracting services, is recognised when services are provided.

#### Revenue from other sources

Rental income is recognised on a time proportion basis over the lease terms. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are incurred.

#### Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

#### Contract assets

If the Group performs by transferring goods or services to a customer before being unconditionally entitled to the consideration under the contract terms, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment, details of which are included in the accounting policies for impairment of financial assets. They are reclassified to trade receivables when the right to the consideration becomes unconditional.

#### Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Other employee benefits

In accordance with the rules and regulations in the PRC, the employees of the Group are required to participate in a central pension scheme operated by the local municipal government. The Group is required to contribute certain percentages of its payroll costs to the central pension scheme. The contributions are charged to the statement of profit or loss as they become payable in accordance with the rules of the central pension scheme.

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the “MPF Scheme”) under the Mandatory Provident Fund Schemes Ordinance for its employees in Hong Kong. Contributions are made based on a percentage of the employees’ basic salaries and are charged to the statement of profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme.

### Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

### Events after the reporting period

If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its financial statements, but will disclose the nature of the non-adjusting events and an estimate of their financial effects, or a statement that such an estimate cannot be made, if applicable.



# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the financial statements. Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

### Foreign currencies

These financial statements are presented in RMB, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

# Notes to Financial Statements

31 DECEMBER 2024

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Foreign currencies (Continued)

The functional currencies of certain overseas subsidiaries, joint ventures and associates are currencies other than the RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the exchange rates that approximate to those prevailing at the dates of the transactions.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the translation reserve, except to the extent that the differences are attributable to non-controlling interests. On disposal of a foreign operation, the cumulative amount in the reserve relating to that particular foreign operation is recognised in the statement of profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into RMB at the weighted average exchange rates for the year.

# Notes to Financial Statements

31 DECEMBER 2024

## 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

### Judgements

In the process of applying the Group's accounting policies, management has made the following significant judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

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

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate the lease (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

#### Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately or leased out separately under a finance lease, the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

# Notes to Financial Statements

31 DECEMBER 2024

## 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

### Judgements (*Continued*)

#### **Consolidation of an entity in which the Group holds less than a majority of voting rights**

The Company considers that it controls Shandong Humon even though it owns less than 50% of the voting rights. This is because: i) the Company is able to control over the board of Shandong Humon with the power to make decision in the financial and operating policies; ii) the Company entered into an agreement with another two vote holders of Shandong Humon and they promised that they will not, either by themselves or together with other vote holders of Shandong Humon damage or impact the Company's right of control over Shandong Humon; and iii) the remaining equity shares in Shandong Humon are widely held by many other shareholders and there is no single shareholder holding more than 3% of the shares. Since the date of acquisition, there has been no history of the other shareholders collaborating to exercise their votes collectively or to outvote the Company.

#### **Estimation uncertainty**

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

#### **Environment rehabilitation obligations**

Environment rehabilitation obligations are inherently imprecise and represent only approximate amounts because of the subjective judgements involved in the estimation of the costs. Environment rehabilitation obligations are subject to considerable uncertainty which affects the Group's ability to estimate the ultimate cost of remediation efforts. These uncertainties include: (i) the exact nature and extent of the contamination at various sites including, but not limited to, mines and land development areas, whether operating, closed or sold, (ii) the extent of required clean-up efforts, (iii) varying cost of alternative remediation strategies, (iv) changes in environmental remediation requirements, and (v) the identification of new remediation sites. In addition, as prices and cost levels change from year to year, the estimate of environment liabilities also changes. Despite the inherent imprecision in these estimates, these estimates are used in assessing the provision for rehabilitation. The carrying amount of provision for rehabilitation at 31 December 2024 was RMB313,107,000 (2023: RMB295,312,000). More details are given in note 40.

# Notes to Financial Statements

31 DECEMBER 2024

## 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

### Estimation uncertainty (Continued)

#### Useful lives of property, plant and equipment

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. Useful lives are determined based on management's past experience with similar assets, estimated changes in technologies and in the case of mining related property, plant and equipment, estimated mine lives. If the estimated useful lives change significantly, adjustment of depreciation will be provided in the future years. The carrying amount of property, plant and equipment at 31 December 2024 was RMB37,076,721,000 (2023: RMB32,821,221,000). More details are given in note 17.

#### Allowance for inventories

Management reviews the net realisable values of inventories at the end of the reporting period based on the estimated selling prices in the ordinary course of business less the estimated costs of completion and the estimated selling expenses and related taxes to determine the allowance for inventories. Management may take reference to the available price in the open market or the most recent/subsequent selling price if the open market information is not available. These estimates could change significantly as a result of change in market demand of products or technical innovation and impact the expectation of net realisable value and allowance for inventories required. The carrying amount of inventories was RMB44,853,330,000 at 31 December 2024 (2023: RMB40,538,382,000). More details are given in note 28.

#### Mineral reserves

Technical estimates of the Group's mineral reserves are inherently imprecise and represent only approximate amounts because of the subjective judgements involved in developing such information. There are authoritative guidelines regarding the engineering criteria that have to be met before estimated mineral reserves can be designated as "proved" and "probable". Proved and probable mineral reserves estimates are updated on a regular basis and take into account recent economic production and technical information about each mine. In addition, as production levels and technical standards change from year to year, the estimate of proved and probable mineral reserves also changes. Despite the inherent imprecision in these technical estimates, these estimates are used in determining depreciation and amortisation rates for mine related assets and are used in assessing impairment losses. The carrying amount of mining rights at 31 December 2024 was RMB3,074,445,000 (2023: RMB3,168,205,000). More details are given in note 21.

# Notes to Financial Statements

31 DECEMBER 2024

## 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

### Estimation uncertainty (Continued)

#### Exploration and evaluation assets

The application of the Group's accounting policy for exploration and evaluation assets requires judgement in determining whether it is likely that future economic benefits will result, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalised, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalised is written off in the statement of profit or loss in the period when the new information becomes available. The carrying amount of exploration and evaluation assets at 31 December 2024 was RMB495,457,000 (2023: RMB593,703,000). More details are given in note 22.

#### Deferred tax assets

Deferred tax assets are recognised for all temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. Recognition primarily involves judgement regarding the future performance of the particular legal entity or tax group in which the deferred tax asset has been recognised. A variety of other factors are also evaluated in considering whether there is convincing evidence that it is probable that some portion or all of the deferred tax assets will ultimately be realised, such as the amounts of the future taxable profit and tax planning strategies. The carrying amount of deferred tax assets at 31 December 2024 of the Group was RMB945,662,000 (2023: RMB724,713,000). More details are given in note 27.

#### Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 December 2024 was RMB1,318,169,000 (2023: RMB1,327,305,000). Further details are given in note 20.



# Notes to Financial Statements

31 DECEMBER 2024

## 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

### Estimation uncertainty (Continued)

#### Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows. As at 31 December 2024, the carrying amount of non-financial assets (other than deferred tax, deposits for prepaid lease payments and deposits for property, plant and equipment) was RMB65,771,133,000 (2023: RMB47,098,554,000).

#### Provision for expected credit losses on trade receivables

Provision for impairment of trade receivables is made based on an assessment of expected credit losses on trade receivables. The assessment of expected credit losses requires management's judgement and estimates. Trade receivables relating to customers with known financial difficulties or significant doubt on collection are assessed individually for impairment allowance. The remaining trading receivables are grouped based on aging of bills of various customer segments with similar loss patterns and collectively assessed for impairment allowance. The expected credit loss rates are determined based on historical credit loss experience of receivables with similar credit risk characteristics and adjusted to reflect current and forward-looking information such as macroeconomic factors affecting the ability of the customers to settle the receivables. The realisable value of collateral has been taken into account when the expected credit losses for trade receivables are assessed individually and collectively.

Under the collective approach, the Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on aging of bill for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic products) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.



# Notes to Financial Statements

31 DECEMBER 2024

## 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

### Estimation uncertainty (Continued)

#### Provision for expected credit losses on trade receivables (Continued)

The assessment of the correlation among historical observed default rates, forecast economic conditions, realisable value of collateral and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances, forecast economic conditions and realisable value of collateral. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future.

#### Provision for expected credit losses on factoring receivables and other receivables

Impairment loss on factoring receivables and other receivables represent management's best estimate of losses incurred in factoring receivables and other receivables at the reporting date under ECL models. Management assesses whether the credit risk of factoring receivables and other receivables have increased significantly since their initial recognition and apply a three-stage impairment model to calculate their ECLs. The Group is required to exercise judgement in making assumptions and estimates when calculating impairment losses on factoring receivables and other receivables, including any observable data indicating that there is a measurable decrease in the estimated future cash flows from factoring receivables and other receivables and historical loss experience on the basis of the relevant observable data that reflects current economic conditions. The realisable values of collateral have been taken into account when individually and collectively assessing the ECLs for trade receivables.

The measurement of the ECLs involves significant management judgments and assumptions, primarily including the selection of appropriate models and determination of relevant key measurement parameters, criteria for determining whether there was a significant increase in credit risk or a default was incurred, economic indicators for forward-looking measurement, and the application of economic scenarios and weightings, management consideration due to significant uncertain factors not covered in the models and the estimated future cash flows in stage 3.

# Notes to Financial Statements

31 DECEMBER 2024

## 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

### Estimation uncertainty (*Continued*)

#### Leases – Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate (“IBR”) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group “would have to pay”, which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary’s functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary’s stand-alone credit rating).

#### Fair value of unlisted equity investments and income right attached to a target equity interest

The unlisted equity investments and income right attached to a target equity interest have been valued based on a market-based valuation technique as detailed in note 54 to the financial statements. The valuation requires the Group to determine the comparable public companies (peers) and select a series of key ratios. In addition, the Group makes estimates about the discount for illiquidity and size differences. The Group classifies the fair value of these investments as Level 3. The fair value of the unlisted equity investments and the income right attached to a target equity interest at 31 December 2024 was RMB978,225,000 (2023: RMB1,389,919,000). Further details are included in note 25 to the financial statements.

# Notes to Financial Statements

31 DECEMBER 2024

## 4. BUSINESS COMBINATION

### Acquisition of Jiangxi Depu Mining Equipment Co., Ltd. (“Depu Mining”)

In July 2024, the Group signed an “acting-in-concert agreement” (“the agreement”) with another individual shareholder who has 20% of shares of Depu Mining, the individual shareholder agreed to unconditionally maintain their voting opinions in line with the Group during board and shareholder meetings. After the agreement was signed, the Group obtained the majority of the voting rights. Accordingly, the Group has 49% of the shares and 69% of the voting rights and has control over the production and operation decisions. Therefore, Depu Mining was consolidated by the Group since July 2024.

The fair values of identifiable assets acquired, and liabilities assumed of Depu Mining as at the date of acquisition were as follows:

	<b>29 July 2024</b>
	<b>Fair value</b>
	<b>RMB' 000</b>
Non-current assets	<b>153,996</b>
Including: Property, plant and equipment	<b>135,314</b>
Right-of-use assets	<b>18,682</b>
Current assets	<b>92,733</b>
<b>Total assets</b>	<b>246,729</b>
Non-current liabilities	<b>(97,333)</b>
Current liabilities	<b>(72,510)</b>
<b>Total liabilities</b>	<b>(169,843)</b>
<b>Total identifiable net assets at fair value</b>	<b>76,886</b>
Non-controlling interests	<b>39,212</b>
<b>Identifiable net assets at fair value attributable to the Group</b>	<b>37,674</b>
Goodwill on acquisition	<b>–</b>
	<b>37,674</b>
Satisfied by:	
Cash	<b>–</b>
Fair value of interest in Depu Mining before the acquisition	<b>37,674</b>
	<b>37,674</b>

# Notes to Financial Statements

31 DECEMBER 2024

## 4. BUSINESS COMBINATION (CONTINUED)

### Acquisition of Jiangxi Depu Mining Equipment Co., Ltd (“Depu Mining”) (Continued)

An analysis of the cash flows in respect of the acquisition of Depu Mining is as follows:

	<i>RMB'000</i>
Cash consideration paid in the period	–
Cash and bank balances acquired	9,682
Net inflow of cash and cash equivalents included in cash flows from investing activities	9,682
Total net cash inflow	9,682

The fair values of the trade receivables and other receivables as at the date of acquisition amounted to RMB31,629,000 and RMB97,000, respectively. The gross contractual amounts of trade receivables and other receivables were RMB31,629,000 and RMB97,000, respectively, of which nil and nil impairment provision provided, respectively.

Since the acquisition, Depu Mining contributed RMB50,010,000 to the Group's revenue and net profit of RMB2,532,000 to the consolidated profit for the year ended 31 December 2024.

Had the combination taken place at the beginning of the year, the revenue of the Group and the profit of the Group for the year would increase by RMB102,742,000 and RMB2,001,000, respectively.

# Notes to Financial Statements

31 DECEMBER 2024

## 4. BUSINESS COMBINATION (CONTINUED)

### Acquisition of Jiangxi Chuanhe Equipment Manufacturing Co., Ltd ("Jiangxi Chuanhe")

On 26 December 2024, the Company signed a capital increase agreement with Jiangxi Chuanhe's original shareholders, who agreed that the Company would increase its capital injection of RMB200 million to Jiangxi Chuanhe. Upon the completion of the capital injection, the Company holds 77.16% interest in Jiangxi Chuanhe and has control over the production and operation decisions of Jiangxi Chuanhe. The transaction was completed on 31 December 2024, and Jiangxi Chuanhe was consolidated by the Group as of 31 December 2024.

The fair values of identifiable assets acquired, and liabilities assumed of Jiangxi Chuanhe as at the date of acquisition were as follows:

	31 December 2024 Fair value RMB'000
Non-current assets	76,717
Including: Property, plant and equipment	41,589
Right-of-use assets	4,058
Other intangible assets	31,000
Current assets	355,434
Total assets	432,151
Non-current liabilities	(9,724)
Current liabilities	(173,663)
Total liabilities	(183,387)
Total identifiable net assets at fair value	248,764
Non-controlling interests	56,817
Identifiable net assets at fair value attributable to the Group	191,947
Goodwill on acquisition	8,053
	200,000
Satisfied by cash	200,000

# Notes to Financial Statements

31 DECEMBER 2024

## 4. BUSINESS COMBINATION (CONTINUED)

### Acquisition of Jiangxi Chuanhe Equipment Manufacturing Co., Ltd ("Jiangxi Chuanhe") (Continued)

An analysis of the cash flows in respect of the acquisition of Jiangxi Chuanhe is as follows:

	<i>RMB'000</i>
Cash consideration paid in the period	(200,000)
Cash and bank balances acquired	99,549
Net outflow of cash and cash equivalents included in cash flows from investing activities	(100,451)
Total net cash outflow	(100,451)

The fair values of the trade receivables and other receivables as at the date of acquisition amounted to RMB230,487,000 and RMB946,000, respectively. The gross contractual amounts of trade receivables and other receivables were RMB241,933,000 and RMB1,136,000, respectively, of which RMB11,446,000 and RMB190,000 impairment provision provided, respectively.

Since the acquisition, Jiangxi Chuanhe contributed nil of revenue and net profit to the Group.

Had the combination taken place at the beginning of the year, the revenue of the Group and the profit of the Group for the year would increase by RMB600,804,000 and RMB14,964,000, respectively.

# Notes to Financial Statements

31 DECEMBER 2024

## 5. 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 for 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>Year ended 31 December 2024</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	445,452,700	73,795,533	519,248,233
Intersegment sales	3,016,352	1,833,201	4,849,553
Total segment revenue	448,469,052	75,628,734	524,097,786
<i>Reconciliation:</i>			
Elimination of intersegment sales			(4,849,553)
Revenue			519,248,233
<b>Segment results</b>	<b>8,510,521</b>	<b>528,882</b>	<b>9,039,403</b>
<i>Reconciliation:</i>			
Elimination of intersegment results			—
Profit before tax			9,039,403



# Notes to Financial Statements

31 DECEMBER 2024

## 5. OPERATING SEGMENT INFORMATION (CONTINUED)

Year ended 31 December 2023	Copper related business RMB'000	Gold related business RMB'000	Total RMB'000
<b>Segment revenue</b>			
Sales to external customers	456,161,750	64,176,750	520,338,500
Intersegment sales	434,317	1,242,536	1,676,853
Total segment revenue	456,596,067	65,419,286	522,015,353
<i>Reconciliation:</i>			
Elimination of intersegment sales			(1,676,853)
Revenue			520,338,500
<b>Segment results</b>	8,111,021	521,449	8,632,470
<i>Reconciliation:</i>			
Elimination of intersegment results			–
Profit before tax			8,632,470

# Notes to Financial Statements

31 DECEMBER 2024

## 5. OPERATING SEGMENT INFORMATION (CONTINUED)

### Geographical information

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

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Mainland China	455,227,342	463,319,721
Hong Kong	32,064,439	25,781,103
Others	33,636,465	32,791,688
	<b>520,928,246</b>	521,892,512
Less: Sales related taxes	<b>1,680,013</b>	1,554,012
Total revenue	<b>519,248,233</b>	520,338,500

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

### Information about a major customer

In the year 2024, revenue of RMB63,862,115,000 was from Shanghai Gold Exchange("SGE"), which was mainly derived from the gold related business.

# Notes to Financial Statements

31 DECEMBER 2024

## 6. REVENUE

Disaggregated revenue information

An analysis of revenue is as follows:

	2024 RMB'000	2023 RMB'000
<b>Revenue from contracts with customers</b>		
Sale of goods		
– Copper cathodes	268,526,294	309,923,785
– Copper rods	118,734,727	88,052,383
– Copper processing products	10,163,644	6,856,059
– Gold	65,896,988	51,544,642
– Silver	16,906,504	20,438,006
– Sulphuric and sulphuric concentrates	2,828,117	1,675,960
– Copper concentrate, rare and other non-ferrous metals	26,647,048	32,807,396
– Others	8,863,042	8,372,438
Construction services	850,278	501,926
Others	1,511,604	1,719,917
	<b>520,928,246</b>	521,892,512
Less: Sales related taxes	<b>1,680,013</b>	1,554,012
Total	<b>519,248,233</b>	520,338,500

# Notes to Financial Statements

31 DECEMBER 2024

## 6. REVENUE (CONTINUED)

### Disaggregated revenue information (Continued)

The Group's revenue from contracts with customers, including sales of goods and other types of income above, is as follows:

	2024 RMB'000	2023 RMB'000
<b>Type of goods or service</b>		
– Sale of goods	518,566,364	519,670,669
– Construction services	850,278	501,926
– Others	1,511,604	1,719,917
	<b>520,928,246</b>	521,892,512
Less: Sales related taxes	<b>1,680,013</b>	1,554,012
<b>Total</b>	<b>519,248,233</b>	520,338,500
<b>Timing of revenue recognition</b>		
– Goods or services transferred at a point in time	520,077,968	521,390,586
– Services transferred over time	850,278	501,926
	<b>520,928,246</b>	521,892,512
Less: Sales related taxes	<b>1,680,013</b>	1,554,012
<b>Total</b>	<b>519,248,233</b>	520,338,500

The following table shows the amount of revenue recognised in the current reporting period that was included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

	2024 RMB'000	2023 RMB'000
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Sales of goods	1,397,395	1,115,288

# Notes to Financial Statements

31 DECEMBER 2024

## 6. REVENUE (CONTINUED)

### Performance obligations

Information about the Group's performance obligations is summarised below:

#### Sale of goods

The performance obligation is satisfied upon transfer of controls of the industrial products and payment is satisfied upon delivery of products or generally due within 90 days from delivery.

Sales of goods are made in a short period of time, and the performance obligation is mostly satisfied in one year or less at the end of each year.

#### Construction services

The performance obligation is satisfied over time as services are rendered and payment is generally due within 30 to 90 days from the date of billing. A certain percentage of payment is retained by customers until the end of the retention period as the Group's entitlement to the final payment is conditional on the satisfaction of the service quality by the customers over a certain period as stipulated in the contracts.

## 7. OTHER INCOME

An analysis of other income is as follows:

	2024 RMB'000	2023 RMB'000
Interest income	2,078,122	2,024,545
Dividend income from equity investments	20,653	167,060
Government grants recognised	465,605	467,804
Compensation income and others	79,392	59,006
Total	2,643,772	2,718,415

# Notes to Financial Statements

31 DECEMBER 2024

## 8. OTHER GAINS AND LOSSES

	2024 RMB'000	2023 RMB'000
Fair value gains from commodity derivative contracts, T + D forward contracts and commodity option contracts:		
Transactions not designated for hedge	244,685	325,939
(Losses)/gains on commodity derivative contracts, T + D forward contracts and commodity option contracts:		
Transactions not designated for hedge	(1,744,473)	6,538
Fair value gains from foreign currency forward contracts	21,993	28,462
Losses on foreign currency forward contracts and interest rate swaps	(81,421)	(315,792)
Fair value gains/(losses) on other financial assets:		
Investments in financial products	(90,485)	6,075
Listed equity instruments	(10,718)	(12,223)
Unlisted equity investments	41,367	71,424
Income right attached to a target equity interest	(67,230)	–
Gains/(losses) on other financial instruments:		
Listed equity instruments	(921)	544
Listed debentures	91,766	106,742
Investments in financial products	276,386	202,383
Impairment losses on:		
Goodwill	(17,189)	–
Property, plant and equipment	(264,884)	(190,642)
Right of use assets	(14,938)	–
Interests in an associate	–	(57,403)
Investment properties	(5,569)	–
Gains/(losses) on disposal of:		
Interests in a subsidiary	(2,547)	21,591
Interests in associates	(7,100)	60,851
Property, plant and equipment	(41,283)	(50,829)
Foreign exchange gains, net	(72,902)	172,144
Losses on derecognition of financial assets	(141,807)	–
Gains from transfer of a financial asset to investments in an associate (note 24)	352,649	–
Others	(78,749)	(47,342)
Total	(1,613,370)	328,462

# Notes to Financial Statements

31 DECEMBER 2024

## 9. IMPAIRMENT LOSSES ON FINANCIAL ASSETS, NET

	2024 RMB'000	2023 RMB'000
Provided for/(reversal of)		
Impairment of trade and bills receivables	215,063	(21,774)
Impairment of factoring receivables	9,262	23,794
Impairment of loans to related parties	23,237	(3,741)
Impairment of other receivables	46,637	11,930
Total	294,199	10,209

## 10. FINANCE COSTS

An analysis of finance costs is as follows:

	2024 RMB'000	2023 RMB'000
Interest on:		
Bank borrowings	1,885,404	1,634,120
Less: Interest Capitalized	(66,886)	(78,301)
Discounted notes	516,137	609,671
Corporate bonds	162,034	151,581
Lease liabilities	21,104	6,730
Total	2,517,793	2,323,801



# Notes to Financial Statements

31 DECEMBER 2024

## 11. PROFIT BEFORE TAX

In addition to the items detailed elsewhere in these financial statements, the Group's profit before tax is arrived at after charging:

	<i>Notes</i>	<b>2024</b> <b>RMB'000</b>	2023 <i>RMB'000</i>
Cost of inventories sold and service provided		493,050,247	498,109,488
Depreciation of property, plant and equipment	17	2,406,546	2,257,806
Depreciation of right-of-use assets	19	298,774	299,846
Depreciation of investment properties	18	32,243	31,879
Amortisation of other intangible assets	21	258,234	258,381
Auditors' remuneration		14,950	12,800
Employee benefit expense (including directors' remuneration):			
– Wages and salaries		5,832,949	5,332,962
– Pension scheme contributions*		760,503	582,614
Research and development costs		618,336	515,629
Provision for allowance for inventories included in cost of sales		658,502	633,355

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

# Notes to Financial Statements

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## 12. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1) (a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

	2024 RMB'000	2023 RMB'000
Fees	575	600
Other emoluments:		
Salaries, allowances and benefits in kind	8,113	10,740
Pension scheme contributions	713	573
Subtotal	8,826	11,313
Total	9,401	11,913

### (a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

	2024 RMB'000	2023 RMB'000
Liu Xike (i)	75	150
Zhu Xingwen (i)	75	150
Wang Feng	150	150
Li Shuidi (ii)	125	150
Liu Shuying (iii)	75	–
Lai Dan (iii)	75	–
Total	575	600

(i) On June 6, 2024, the Company conducted a board re-election, and Mr. Liu Xike and Mr. Zhu Xingwen were no longer appointed as independent non-executive directors.

(ii) On October 8 2024, Mr. Li Shuidi resigned as an independent non-executive director of the Company.

(iii) On June 6 2024, Ms. Liu Shuying and Ms. Lai Dan were appointed as independent non-executive directors of the Company.

There were no other emoluments payable to the independent non-executive directors during the year (2023: Nil).

# Notes to Financial Statements

31 DECEMBER 2024

## 12. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (CONTINUED)

### (b) Executive director, chief executive and supervisors

2024	Fees <i>RMB'000</i>	Other emoluments			Total <i>RMB'000</i>
		Salaries, allowances and benefits in kind <i>RMB'000</i>	Performance related bonuses <i>RMB'000</i>	Pension scheme contributions <i>RMB'000</i>	
Executive directors:					
Zheng Gaoqing <i>(Chairman and the chief executive)</i>	–	1,171	–	103	1,274
Zhou Shaobing	–	1,171	–	75	1,246
YU Minxin <i>(i)</i>	–	390	–	32	422
Liu Fangyun	–	780	–	120	900
Yu Tong <i>(ii)</i>	–	311	–	58	369
Subtotal	–	3,823	–	388	4,211
Supervisors:					
Zha Keping	–	954	–	72	1,026
Gong Bin	–	870	–	60	930
Zhao Bicheng	–	871	–	41	912
Liu Guobiao <i>(iii)</i>	–	435	–	63	498
Li si	–	799	–	53	852
Cai Lisi <i>(iv)</i>	–	361	–	36	397
Subtotal	–	4,290	–	325	4,615
Total	–	8,113	–	713	8,826

# Notes to Financial Statements

31 DECEMBER 2024

## 12. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (CONTINUED)

### (b) Executive director, chief executive and supervisors (Continued)

	Other emoluments				Total <i>RMB'000</i>
	Fees <i>RMB'000</i>	Salaries, allowances and benefits in kind <i>RMB'000</i>	Performance related bonuses <i>RMB'000</i>	Pension scheme contributions <i>RMB'000</i>	
2023					
Executive directors:					
Zheng Gaoqing <i>(Chairman and the chief executive)</i>	–	1,332	–	74	1,406
Zhou Shaobing	–	1,332	–	76	1,408
Wang Bo <i>(v)</i>	–	1,110	–	62	1,172
Liu Fangyun	–	1,332	–	69	1,401
Yu Tong	–	1,332	–	65	1,397
Subtotal	–	6,438	–	346	6,784
Supervisors:					
Zha Kebing	–	956	–	56	1,012
Gong Bin	–	956	–	29	985
Zhao Bicheng	–	956	–	46	1,002
Liu Guobiao	–	956	–	47	1,003
Li Si	–	478	–	49	527
Subtotal	–	4,302	–	227	4,529
Total	–	10,740	–	573	11,313

Notes:

- (i) On 10 July 2024, Mr. Yu Minxin was appointed as an executive director of the Company.
- (ii) On 23 April 2024, Mr. Yu Tong resigned as an executive director of the Company.
- (iii) On 6 June 2024, the Company conducted a board re-election, Mr. Liu Guobiao was no longer appointed as a supervisor of the Company.
- (iv) On 6 June 2024, Ms. Cai Lisi was appointed as a supervisor of the Company.
- (v) On 28 October 2023, Mr. Wang Bo resigned as an executive director of the Company.

# Notes to Financial Statements

31 DECEMBER 2024

## 12. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (CONTINUED)

### (b) Executive director, chief executive and supervisors (Continued)

The remuneration shown above represents remuneration received from the Group by these directors in their capacity as employees of the Group and/or in their capacity as directors of the companies now comprising the Group during the year. There were no arrangements under which a director or the chief executive waived or agreed to waive any remuneration during the year.

## 13. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included no directors (2023: Nil). Details of the remuneration for the year of the five (2023: five) highest paid employees who are neither a director nor chief executive of the Company are as follows:

	2024 RMB'000	2023 RMB'000
Salaries, allowances and benefits in kind	8,318	12,446
Pension scheme contributions	295	652
Total	8,613	13,098

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

	2024 Number of Individuals	2023 Number of Individuals
HK\$1,000,001 to HK\$1,500,000	2	–
HK\$1,500,001 to HK\$2,000,000	2	4
HK\$2,000,001 to HK\$2,500,000	–	–
HK\$2,500,001 to HK\$3,000,000	–	–
HK\$3,000,001 to HK\$3,500,000	1	–
HK\$5,500,001 to HK\$6,000,000	–	1
Total	5	5

# Notes to Financial Statements

31 DECEMBER 2024

## 14. INCOME TAX

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

	2024 RMB'000	2023 RMB'000
Current income tax	1,910,830	1,501,001
Deferred income tax ( <i>note 27</i> )	(225,151)	(96,683)
Income tax charge for the year	1,685,679	1,404,318

Hong Kong profits tax on the Group's subsidiaries has been provided at the rate of 16.5% (2023: 16.5%) on the estimated assessable profits arising in Hong Kong during the year.

The subsidiaries incorporated in Singapore, United States, Peru, Turkey, Zambia, Mexico and Tajikistan are subject to corporate income tax at rates of 17% (2023: 17%), 29.8% (2023: 29.8%), 29.5% (2023: 29.5%), 20% (2023: 20%), 35% (2023: 35%), 30% (2023: 30%), and 18% (2023: 18%), respectively.

The provision for PRC income tax is based on a statutory rate of 25% (2023: 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 High Technology Enterprise which are entitled to a preferential PRC income tax rate of 15%, according to the PRC Corporate Income Tax Law.

# Notes to Financial Statements

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## 14. INCOME TAX (CONTINUED)

A reconciliation of the tax expense applicable to profit before tax at the statutory rate for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled and operate to the tax expense at the effective tax rate, and a reconciliation of the applicable rate (i.e., the statutory tax rate) to the effective tax rate, are as follows:

	2024		2023	
	RMB'000	%	RMB'000	%
Profit before tax	9,039,403	100.00	8,632,470	100.00
Tax at the effective statutory tax rate (15%) *	1,355,910	15.00	1,294,871	15.00
Effect of different tax rates for subsidiaries	69,149	0.76	128,997	1.49
Tax loss and temporary differences not recognised	510,932	5.65	95,413	1.11
Expenses not deductible for tax	24,058	0.27	65,505	0.76
Income not subject to tax	(64,430)	(0.71)	(34,625)	(0.36)
Profits and losses attributable to joint ventures and associates	89,923	0.99	(14,802)	(0.17)
Adjustments in respect of current tax of previous periods	21,003	0.23	(10,144)	(0.12)
Utilisation of unrecognised tax losses and temporary differences	(19,134)	(0.21)	(9,510)	(0.11)
Tax incentive in relation to deduction of certain expense	(135,915)	(1.50)	(111,387)	(1.29)
Others	(165,817)	(1.83)	–	–
Income tax expense at the Group's effective rate	1,685,679	18.65	1,404,318	16.27

\* Pursuant to the Notice of Recognition of the 2023 First Batch of New and High Technology Enterprises in Jiangxi Provinces (Gan Gao Qi Ren Fa [2023] No. 24) dated 18 September 2023, jointly issued by the Science and Technology Department of Jiangxi Province, Finance Department of Jiangxi Province, State Tax Bureau of Jiangxi Province and Provincial Tax Bureau of Jiangxi Province, the Company obtained the certificate of New and High Technology Enterprises (reference number: GR202336000411). The validity period of the certificate is from 1 January 2023 to 31 December 2025. The Company was entitled to enjoy the preferential Corporate Income Tax policies for new and high technology enterprises and entitled to a tax concession of the income tax rate of 15% in 2023.



# Notes to Financial Statements

31 DECEMBER 2024

## 14. INCOME TAX (CONTINUED)

### Pillar Two income taxes

The Group is within the scope of the Pillar Two model rules. The Group has applied the temporary exception to recognize and disclose information about deferred tax assets and liabilities arising from Pillar Two income taxes and will account for the Pillar Two income taxes as current tax when incurred. Pillar Two legislation has been enacted or substantively enacted but not yet in effect as of 31 December 2024 in certain jurisdictions in which the Group operates.

The Group has assessed its potential exposure based on the information available regarding the financial performance of the Group as of 31 December 2024. As such, it may not be entirely representative of future circumstances. Based on the assessment, the Group should benefit from the Transitional CbCR Safe Harbour relief for the jurisdictions where the Group operates and the Pillar Two legislation has been enacted and takes effect for the 2024 fiscal year. Therefore, the Group does not expect a potential exposure to Pillar Two top-up taxes.

As more jurisdictions enact the Pillar Two model rules in the future, the Group continues to follow Pillar Two legislative developments to evaluate potential future impact on the Financial Statements.

## 15. DIVIDENDS

	<b>2024</b> <b>RMB'000</b>	2023 RMB'000
Proposed final of RMB0.70 per share (2023: RMB0.60 per share)	<b>2,416,601</b>	2,077,424

The calculation of the proposed final dividend is based on the number of ordinary shares of 3,452,287,637, excluding 10,441,768 treasury shares.

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

# Notes to Financial Statements

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## 16. 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 year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 3,455,273,634 (2023: 3,462,729,405) outstanding during the year.

The Group had no potentially dilutive ordinary shares outstanding during the years ended 31 December 2024 and 2023.

The calculation of basic earnings per share is based on:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
<b>Earnings</b>		
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	<b>6,900,987</b>	6,745,839
<b>Shares</b>		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	<b>3,455,273,634</b>	3,462,729,405

The weighted average number of shares was after taking into account the effect of treasury shares held.

# Notes to Financial Statements

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## 17. PROPERTY, PLANT AND EQUIPMENT

	Buildings and mining infrastructure <i>RMB'000</i>	Machinery <i>RMB'000</i>	Motor vehicles <i>RMB'000</i>	Office equipment <i>RMB'000</i>	Construction in process <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Cost</b>						
As at 1 January 2023	22,298,986	21,706,106	1,494,366	617,906	4,784,238	50,901,602
Additions	69,871	159,042	40,750	44,470	7,779,951	8,094,084
Additions as a result of acquisition of subsidiaries	157,475	71,233	53	210	–	228,971
Transfers	3,224,518	2,040,813	45,867	48,728	(5,359,926)	–
Transfer to intangible assets	–	–	–	–	(23,053)	(23,053)
Disposals	(45,268)	(482,262)	(94,357)	(19,239)	(10,053)	(651,179)
As at 31 December 2023	25,705,582	23,494,932	1,486,679	692,075	7,171,157	58,550,425
Additions	397,580	181,190	15,848	11,883	6,280,179	6,886,680
Additions as a result of acquisition of subsidiaries ( <i>note 4</i> )	534	87,930	438	1,165	86,836	176,903
Transfers	1,975,084	2,735,573	55,047	182,481	(4,948,185)	–
Transfer to intangible assets	–	–	–	–	(5,125)	(5,125)
Transfer to right-of-use assets	–	–	–	–	(3,979)	(3,979)
Disposals	(76,886)	(870,229)	(77,477)	(5,890)	(52,802)	(1,083,284)
As at 31 December 2024	28,001,894	25,629,396	1,480,535	881,714	8,528,081	64,521,620
<b>Accumulated depreciation</b>						
As at 1 January 2023	(9,153,452)	(12,139,658)	(1,389,011)	(223,100)	–	(22,905,221)
Charge for the year	(932,498)	(1,196,258)	(63,907)	(65,143)	–	(2,257,806)
Disposals	33,577	397,286	89,532	14,746	–	535,141
As at 31 December 2023	(10,052,373)	(12,938,630)	(1,363,386)	(273,497)	–	(24,627,886)
Charge for the year	(1,050,918)	(1,240,662)	(59,885)	(55,081)	–	(2,406,546)
Disposals	55,205	730,445	65,453	5,732	–	856,835
As at 31 December 2024	(11,048,086)	(13,448,847)	(1,357,818)	(322,846)	–	(26,177,597)

# Notes to Financial Statements

31 DECEMBER 2024

## 17. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Buildings and mining infrastructure <i>RMB'000</i>	Machinery <i>RMB'000</i>	Motor vehicles <i>RMB'000</i>	Office equipment <i>RMB'000</i>	Construction in process <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Provision for impairment</b>						
As at 1 January 2023	(494,152)	(274,485)	(23,351)	(3,183)	(125,177)	(920,348)
Provision for the year	(148,940)	(31,933)	(5,650)	(792)	(3,327)	(190,642)
Disposals	–	8,675	919	78	–	9,672
As at 31 December 2023	(643,092)	(297,743)	(28,082)	(3,897)	(128,504)	(1,101,318)
Provision for the year	(70,149)	(183,758)	(10,778)	(199)	–	(264,884)
Disposals	19,542	68,452	10,766	140	–	98,900
As at 31 December 2024	(693,699)	(413,049)	(28,094)	(3,956)	(128,504)	(1,267,302)
<b>Net carrying amount</b>						
As at 31 December 2024	16,260,109	11,767,500	94,623	554,912	8,399,577	37,076,721
As at 31 December 2023	15,010,117	10,258,559	95,211	414,681	7,042,653	32,821,221

As at 31 December 2024, certain of the Group's building with net book values of approximately RMB46,967,000 (2023: RMB277,469,000) and no machinery (2023: RMB276,348,000), were mortgaged to secure bank borrowings.

As at 31 December 2024, the Group was in the process of obtaining property ownership certificates for certain of the Group's buildings with a net book value of RMB415,652,000 (2023: RMB488,073,000).

As at 31 December 2024, certain of the Group's buildings with a net book value of approximately RMB105,441,000 (2023: RMB108,186,000) were restricted due to litigation (note 48).

# Notes to Financial Statements

31 DECEMBER 2024

## 18. INVESTMENT PROPERTIES

	<b>Commercial properties</b> <i>RMB'000</i>
<b>Cost</b>	
As at 1 January 2023	1,013,308
Addition	11,713
As at 31 December 2023	1,025,021
Addition	115,259
Disposal	(6,116)
As at 31 December 2024	1,134,164
<b>Accumulated depreciation</b>	
As at 1 January 2023	(130,981)
Charge for the year	(31,879)
As at 31 December 2023	(162,860)
Charge for the year	(32,243)
Disposal	148
As at 31 December 2024	(194,955)

# Notes to Financial Statements

31 DECEMBER 2024

## 18. INVESTMENT PROPERTIES (CONTINUED)

**Commercial  
properties**  
RMB'000

### Provision for impairment

As at 31 December 2023	–
Provision for the year	(5,569)
As at 31 December 2024	(5,569)

### Net carrying amount

As at 31 December 2024	933,640
As at 31 December 2023	862,161

As at 31 December 2024, certain of the Group's investment properties with a net book value of approximately RMB145,866,000 (2023: RMB149,652,000) were restricted due to litigation (note 48).

The Group's properties leased to others under operating leases are measured using cost model and are classified and accounted for as investment properties. Depreciation is provided to write off the cost of investment properties using the straight-line method over the remaining terms of the useful lives.

The directors of the Company anticipate that there was no significant differences between the Group's investment properties' fair values and the carrying amounts measured at cost.

# Notes to Financial Statements

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## 19. LEASES

### The Group as a lessee

The Group has lease contracts for various items of leasehold land, buildings, machinery and vehicles used in its operations. Lump sum payments were made upfront to acquire the leased land from the owners with lease periods of 25 to 50 years, and no ongoing payments will be made under the terms of these land leases. Leases of buildings generally have lease terms between 2 and 10 years, while machinery and vehicles generally have lease terms between 5 and 10 years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

#### (a) Right-of-use assets

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

	Leasehold land RMB'000	Right-of-use assets		Total RMB'000
		Buildings RMB'000	Machinery and vehicles RMB'000	
<b>As at 1 January 2023</b>	3,993,717	1,232	–	3,994,949
Addition	748,184	–	481	748,665
Additions as a result of acquisition of subsidiaries	26,574	–	–	26,574
Disposal	(931)	–	–	(931)
Depreciation charge	(298,368)	(997)	(481)	(299,846)
<b>As at 31 December 2023</b>	4,469,176	235	–	4,469,411
Addition	128,774	–	–	128,774
Transfer from construction in progress ( <i>note 17</i> )	3,979	–	–	3,979
Additions as a result of acquisition of subsidiaries ( <i>note 4</i> )	18,682	4,058	–	22,740
Impairment during the year	(14,938)	–	–	(14,938)
Depreciation charge	(298,536)	(238)	–	(298,774)
<b>As at 31 December 2024</b>	4,307,137	4,055	–	4,311,192

As at 31 December 2024, certain of leasehold land of the Group with a net book value of RMB77,865,000 (31 December 2023: RMB180,604,000) was mortgaged to secure bank borrowings.

At 31 December 2024, the Group was in the process of obtaining the certificates of the land use rights for certain of the Group's leasehold land with a net book value of approximately RMB50,046,000 (2023: RMB51,446,000).



# Notes to Financial Statements

31 DECEMBER 2024

## 19. LEASES (CONTINUED)

### The Group as a lessee (Continued)

#### (b) Lease liabilities

The carrying amount of lease liabilities and the movements during the year are as follows:

	2024 Lease liabilities RMB'000	2023 Lease liabilities RMB'000
<b>Carrying amount at 1 January</b>	<b>535,233</b>	200,112
New leases	<b>10,897</b>	515,149
Additions as a result of acquisition of subsidiaries (note 4)	<b>3,872</b>	–
Accretion of interest recognised during the year	<b>21,104</b>	6,730
Payment	<b>(186,612)</b>	(186,758)
<b>Carrying amount at 31 December</b>	<b>384,494</b>	535,233
Analysed into:		
Current portion	<b>180,806</b>	166,474
Non-current portion	<b>203,688</b>	368,759

The maturity analysis of lease liabilities is disclosed in note 54 to the financial statements.

#### (c) The amounts recognised in profit or loss in relation to leases are as follows:

	2024 RMB'000	2023 RMB'000
Interest on lease liabilities	<b>21,104</b>	6,730
Depreciation charge of right-of-use assets	<b>298,774</b>	299,846
<b>Total amount recognised in profit or loss</b>	<b>319,878</b>	306,576

#### (d) The total cash outflow for leases is disclosed in note 46(c) to the financial statements. As at 31 December 2024, the Group had no significant lease contract that has not yet commenced.

# Notes to Financial Statements

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## 20. GOODWILL

	2024 RMB'000	2023 RMB'000
Carrying amount at 1 January	1,327,305	1,295,674
Acquisition of subsidiaries	8,053	31,631
Accumulated impairment	(17,189)	–
Carrying amount at 31 December	1,318,169	1,327,305
Acquisition of Shandong Humon	1,266,036	1,266,036
Acquisition of Jiangxi Cable Co., Ltd (“Jiangxi Cable”)	–	17,189
Acquisition of Guangdong Taolin	12,449	12,449
Acquisition of Wantong Environmental	31,631	31,631
Acquisition of Jiangxi Chuanhe (note 4)	8,053	–
Total	1,318,169	1,327,305

### Impairment testing of goodwill

Goodwill acquired through business combinations is allocated to the following cash-generating units for impairment testing:

- Gold related products cash-generating unit (“CGU”)
- Cable related products CGU
- Ecological restoration service CGU

Particulars of the impairment test of the material CGU are as follows:

# Notes to Financial Statements

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## 20. GOODWILL (CONTINUED)

### Impairment testing of goodwill (Continued)

#### Gold related products cash-generating unit

The recoverable amount of the gold related products CGU has been determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The growth rate used to extrapolate the cash flows of the gold related products CGU beyond the five-year period is 2.0% (31 December 2023: 2.2%). This growth rate does not exceed the long-term average growth rate of the gold related products and is in accordance with forecasted data of the industry. The determination of the recoverable amount of the gold related products CGU involves estimates and judgments, including the future price of gold and related products, production costs, operating expenses, the growth rate used to estimate future cash flows and discount rate applied to these forecasted future cash flows of the underlying CGU.

The pre-tax discount rate applied to the cash flow projections is 10.42% (31 December 2023: 9.71%). These estimates and judgements may be affected by unexpected changes in future market or economic conditions or discount rates applied.

The values assigned to the key assumptions on market development of the industrial products, discount rates and raw materials price inflation are consistent with external information sources.

#### Copper related products cash-generating unit

In the opinion of the directors of the Company, the impairment loss of RMB17,189,000 was recognized after performing the impairment test on the cash-generating units of Jiangxi Cable.

# Notes to Financial Statements

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## 21. OTHER INTANGIBLE ASSETS

	Mining rights <i>RMB'000</i>	Trademarks <i>RMB'000</i>	Vendor contracts <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
<b>31 December 2024</b>					
Cost at 1 January 2024, net of accumulated amortisation	3,168,205	147,586	154,782	73,649	3,544,222
Additions	–	–	–	26,858	26,858
Acquisition of subsidiaries ( <i>note 4</i> )	–	–	–	31,000	31,000
Transfer from exploration and evaluation assets ( <i>note 22</i> )	118,646	–	–	–	118,646
Transfer from construction in progress ( <i>note 17</i> )	–	–	–	5,125	5,125
Disposals	–	–	–	(5)	(5)
Amortisation provided during the year	(212,406)	(2,336)	(8,911)	(34,581)	(258,234)
As at 31 December 2024	3,074,445	145,250	145,871	102,046	3,467,612
At 31 December 2024:					
Cost	4,854,657	206,116	210,546	309,743	5,581,062
Accumulated amortisation	(1,420,749)	(60,866)	(64,675)	(207,645)	(1,753,935)
Provision for impairment	(359,463)	–	–	(52)	(359,515)
Net carrying amount	3,074,445	145,250	145,871	102,046	3,467,612

# Notes to Financial Statements

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## 21. OTHER INTANGIBLE ASSETS (CONTINUED)

	Mining rights <i>RMB'000</i>	Trademarks <i>RMB'000</i>	Vendor contracts <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
<b>31 December 2023</b>					
Cost at 1 January 2023, net of accumulated amortisation	3,358,921	149,810	163,073	62,306	3,734,110
Additions	41,658	–	2,709	11,803	56,170
Acquisition of subsidiaries	–	–	–	12,905	12,905
Transfer from construction in progress (note 17)	–	–	–	23,053	23,053
Disposals	–	(54)	–	(671)	(725)
Amortisation provided during the year	(209,464)	(2,170)	(11,000)	(35,747)	(258,381)
Provision for impairment	(22,910)	–	–	–	(22,910)
As at 31 December 2023	3,168,205	147,586	154,782	73,649	3,544,222
At 31 December 2023:					
Cost	4,736,011	206,116	210,546	248,060	5,400,733
Accumulated amortisation	(1,208,343)	(58,530)	(55,764)	(174,359)	(1,496,996)
Provision for impairment	(359,463)	–	–	(52)	(359,515)
Net carrying amount	3,168,205	147,586	154,782	73,649	3,544,222

# Notes to Financial Statements

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## 22. EXPLORATION AND EVALUATION ASSETS

	2024 RMB'000	2023 RMB'000
Carrying amount at 1 January	593,703	592,956
Additions	20,400	747
Transfer to mining rights (note 21)	(118,646)	–
Carrying amount at 31 December	495,457	593,703

## 23. INVESTMENTS IN JOINT VENTURES

	2024 RMB'000	2023 RMB'000
Share of net assets	128,126	117,641
Impairment	(92,320)	(92,320)
Net carrying amount	35,806	25,321

The Group's trade receivable and payable balances with the joint ventures are disclosed in note 50 to the financial statements.

# Notes to Financial Statements

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## 23. INVESTMENTS IN JOINT VENTURES (CONTINUED)

Particulars of the Group's joint ventures are set out as follows:

Name of joint ventures	Particulars of share capital held	Place of establishment and operations	Percentage of		Principal activities
			Ownership interest	Profit sharing	
江西省江銅百泰環保科技有限公司 Jiangxi JCC-BIOTEQ Environmental Technologies Co., Ltd. ("Jiang Tong Biotech")	Registered capital of RMB1 each	PRC/Mainland China	50%	50%	Recovery of industrial wastewater and sale of products
Nesko Metal Sanayive Ticaret Anonim Şirketi	Registered capital of YTL1 each	Istanbul	48%	48%	Investment holding of a 99.95% equity interest in a mining company in Albania

The following table illustrates the aggregate financial statements of the Group's joint ventures that are not individually material:

	2024 RMB'000	2023 RMB'000
Share of the joint ventures' profits/(losses) for the year	14,585	(10,325)
Share of the joint ventures' other comprehensive expenses for the year	—	(2,130)
Share of the joint ventures' total comprehensive income/(expenses) for the year	14,585	(12,455)
Carrying amount of the Group's investments in the joint ventures	35,806	25,321



# Notes to Financial Statements

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## 24. INVESTMENTS IN ASSOCIATES

	2024 RMB'000	2023 RMB'000
Share of net assets	19,450,705	4,782,515

The Group's trade receivable and payable balances with the associates are disclosed in note 50 to the financial statements.

Particulars of the associates are as follows:

Name of associate	Particulars of share capital held	Place of incorporation/ establishment and operations	Percentage of ownership interest attributable to the Group	Principal activities
五礦江銅礦業投資有限公司 Minmetals Jiangxi Copper Mining Investment Company Limited ("Minmetals Jiangxi Copper")	Registered capital of RMB1 each	PRC/Mainland China	40.00%	Investment holding of a mining company in Peru
中冶江銅艾娜克礦業有限公司 MCC-JCL Aynak Minerals Company Limited ("MCC-JCL")	Registered capital of USD1 each	Afghanistan	25.00%	Exploration and sale of copper products
中銀國際證券股份有限公司 BOC International (China) Co., Ltd. ("BOCI") (a)	Registered capital of RMB1 each	PRC/Mainland China	4.70%	Securities broker and investment advisory
江西銅瑞項目管理有限公司 Jiangxi Tongrui Project Management Company Limited ("Tongrui")	Registered capital of RMB1 each	PRC/Mainland China	49.00%	Project management services
江西江銅石化有限公司 Jiangxi JCC Petrochemical Company Limited ("Shihua")	Registered capital of RMB1 each	PRC/Mainland China	49.00%	Production and sale petrochemical products

# Notes to Financial Statements

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## 24. INVESTMENTS IN ASSOCIATES (CONTINUED)

Particulars of the associates are as follows: (Continued)

Name of associate	Particulars of share capital held	Place of incorporation/ establishment and operations	Percentage of ownership interest attributable to the Group	Principal activities
寧波賽墨科技有限公司 Ningbo Saimo Technology Company Limited ("Saimo")	Registered capital of RMB1 each	PRC/Mainland China	26.86%	Technology services
江西東辰機械製造有限公司 Jiangxi Dongchen Machine Manufacturing Company Limited ("Dongchen")	Registered capital of RMB1 each	PRC/Mainland China	21.00%	Manufacture and sale of electromechanical products
成都江銅金號有限公司 Chengdu JXCC Jinhao Company Limited ("Chengdu Jinhao")	Registered capital of RMB1 each	PRC/Mainland China	49.00%	Trading of gold, silver, articles, jewellery, mining products
萬國黃金集團有限公司 Wanguo Gold Group Limited ("Wanguo Gold") (b)	Registered capital of RMB1 each	PRC/Mainland China	15.94%	Exploration and sale of copper products
河北新寶豐電線電纜有限公司 Hebei New Baofeng Wire & Cable Co., Ltd. ("Hebei New Baofeng") (a)	Registered capital of RMB1 each	PRC/Mainland China	4.78%	Manufacture and sale of electromechanical products
佳鑫國際資源投資有限公司 Jiaxin International Resources Investment Limited ("Jiaxin")	Registered capital of HKD1 each	Hong Kong	41.65%	Investments in natural resources
SolGold PLC ("SolGold") (a)	Registered capital of £ 0.01 each	Australia	6.95%	Investments in natural resources
江西先進銅功能材料科技有限公司 ([Tonggongneng Cailliao])	Registered capital of RMB1 each	PRC/Mainland China	20.00%	Technology services
江西德普礦山設備有限公司 ("Depu Mining") (c)	Registered capital of RMB1 each	PRC/Mainland China	49.00%	Manufacture and sale of electromechanical products
First Quantum Minerals Ltd. ("FQM")	Registered capital of CAD1 each	Canada	18.47%	Investments in natural resources

# Notes to Financial Statements

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## 24. INVESTMENTS IN ASSOCIATES (CONTINUED)

Particulars of the associates are as follows: (Continued)

- (a) The Group is able to exercise significant influence over these companies with the power to participate in the financial and operating policy decisions, but is not control or joint control over those companies. Accordingly, these companies are regarded as associates of the Group.
- (b) On 1 November 2024, other investors subscribed for 165 million new ordinary shares issued by Wanguo Gold at HK \$8.33 per share, resulting in passive dilution of the Group's shares in Wanguo Gold. Accordingly, the Group recognised RMB196,158,000 in capital reserve.
- (c) On 29 July 2024, Depu Mining was consolidated by the Group. Details are given in note 4.

### Minmetals Jiangxi Copper

Minmetals Jiangxi Copper is considered one of the material associates of the Group. It is a strategic partner of the Group engaged in copper mining and is accounted for using the equity method.

The following table illustrates the summarised financial statements in respect of Minmetals Jiangxi Copper adjusted for any differences in accounting policies and reconciled to the carrying amount in the consolidated financial statements:

	2024 RMB'000	2023 RMB'000
Current assets	51,461	70,271
Non-current assets	2,642,776	4,612,265
Current liabilities	(17,035)	(9,084)
Non-current liabilities	(84,924)	(113,018)
Net assets	2,592,278	4,560,434
Reconciliation to the Group's interest in the associate:		
Proportion of the Group's ownership	40.00%	40.00%
Carrying amount of the investment	1,036,911	1,824,174
Share of losses for the year	(735,554)	(4,950)
Share of other comprehensive (losses)/income	(51,708)	34,487
Share of total comprehensive (losses)/income for the year	(787,262)	29,537

# Notes to Financial Statements

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## 24. INVESTMENTS IN ASSOCIATES (CONTINUED)

### FQM

FQM is also considered a material associate of the Group.

On 24 July 2024, the Group signed a Shareholder Rights Agreement with FQM, in accordance with which the Group has the right to appoint a director in FQM. The director was appointed by the Group on 22 October 2024 and approved by FQM's Board of Directors on the same date with immediate effect. For the details of the Shareholder Right Agreement with FQM, refer to the Company's announcement dated on 24 July, 2024. As result of the appointment of director, the Group was assessed to have a significant influence on FQM effective from 22 October 2024 (the "Effective Date") and accounted for the investment in FQM using equity method accordingly.

The Group previously accounted for the investment in FQM as a financial asset measured at fair value through other comprehensive income, and the carrying amount prior to the Effective Date was amounted to RMB14,570,600,000, consisting of investment cost of RMB9,538,895,000 (including RMB1,514,470,000 invested in 2024) and fair value gain of RMB5,031,705,000 (including RMB558,897,000 recognized as other comprehensive income in 2024). On initial recognition, the Group remeasured all the identified assets and liabilities of FQM at their fair value (i.e. performed a new purchase price allocation) to apply the equity method from the Effective Date, and the difference between the original carrying amount of RMB14,570,600,000 prior to the Effective Date and the Group's shares of the fair value of FQM's identified net assets of RMB14,923,249,000 are recognised in other gains and loss (note 8) in the Group's consolidated statement of profit or loss.

Furthermore, the accumulated fair value gains recognised in Group's other comprehensive income prior to the Effective Date, amounting to RMB5,031,705,000, are transferred to the Group's retained profits on the Effective Date.

At 31 December 2024, the Group held approximately 18.47% of the outstanding ordinary shares of FQM (31 December 2023: 18.48%).

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## 24. INVESTMENTS IN ASSOCIATES (CONTINUED)

### FQM (Continued)

The following table illustrates the summarised financial statements in respect of FQM adjusted for any differences in accounting policies and reconciled to the carrying amount in the consolidated financial statements:

	<b>2024</b> <b>RMB'000</b>
Current assets	23,125,083
Non-current assets	150,526,955
Current liabilities	(11,106,078)
Non-current liabilities	(76,628,344)
Net assets	85,917,616
Net assets attribute to non-controlling shareholders	3,112,577
Reconciliation to the Group's interest in the associate:	
Proportion of the Group's ownership	18.47%
Carrying amount of the investment	15,294,091
Share of profit for the period	104,495
Share of other comprehensive income	266,346
Share of total comprehensive income for the period	370,841
Fair value of the investment	14,283,493

The following table illustrates the aggregate financial statements of the Group's associates that are not individually material.

	<b>2024</b> <b>RMB'000</b>	<b>2023</b> <b>RMB'000</b>
Share of the associates' profits for the year	<b>54,408</b>	102,914
Share of the associates' other comprehensive (loss)/ income for the year	<b>(1,643)</b>	10,782
Share of the associates' total comprehensive income for the year	<b>52,765</b>	113,696
Carrying amount of the Group's investments in the associates	<b>3,119,704</b>	2,958,341

# Notes to Financial Statements

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## 25. FINANCIAL INSTRUMENTS OTHER THAN DERIVATIVES

	2024		2023	
	Categories	Carrying Amount RMB'000	Categories	Carrying Amount RMB'000
Debt instruments				
(including hybrid contracts):				
Listed debentures (a)	FVPL <sup>1</sup>	705,178	FVPL <sup>1</sup>	3,909,900
Listed debentures (b)	FVOCI <sup>2</sup>	134,600	FVOCI <sup>2</sup>	–
Investments in financial products (c)	FVPL <sup>1</sup>	5,733,564	FVPL <sup>1</sup>	3,503,240
Subtotal		6,573,342		7,413,140
Equity instruments:				
Listed equity investments (d)	FVPL <sup>1</sup>	228,930	FVPL <sup>1</sup>	237,930
Listed equity investments	FVOCI <sup>2</sup>	–	FVOCI <sup>2</sup>	7,465,526
Unlisted equity investments (e)	FVPL <sup>1</sup>	543,198	FVPL <sup>1</sup>	888,992
Unlisted equity investments (e)	FVOCI <sup>2</sup>	62,507	FVOCI <sup>2</sup>	61,177
Income right attached to a target equity interest (f)	FVPL <sup>1</sup>	372,520	FVPL <sup>1</sup>	439,750
Subtotal		1,207,155		9,093,375
Total		7,780,497		16,506,515
At FVPL		7,583,390		8,979,812
At FVOCI		197,107		7,526,703
Total		7,780,497		16,506,515
Non-current assets		1,193,270		8,933,090
Current assets		6,587,227		7,573,425
Total		7,780,497		16,506,515

1 FVPL: Fair value through profit or loss

2 FVOCI: Fair value through other comprehensive income

# Notes to Financial Statements

31 DECEMBER 2024

## 25. FINANCIAL INSTRUMENTS OTHER THAN DERIVATIVES (CONTINUED)

- (a) The listed debentures were at interest rates ranging from 1.89% to 4.58% (2023: 2.26% to 7.50%) per annum.
- (b) The amount represents listed debentures which were publicly issued in Mainland China and were held by the Group in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- (c) 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.

	2024 RMB'000	2023 RMB'000
Including:		
Bank financial products	3,514,306	2,277,956
Asset management products	30,255	27,966
Fund products	2,119,574	1,197,318
Trust products	69,429	–
Total	5,733,564	3,503,240

As at 31 December 2024, the bank financial products of RMB3,514,306,000 (31 December 2023: RMB2,207,642,000) were pledged for issuance of bank accepted notes.

- (d) The listed equity investments represent stocks listed on the Shenzhen Stock Exchange, Hong Kong Stock Exchange, and Toronto Stock Exchange.
- (e) The unlisted equity investments represent the Group's equity interests in unlisted PRC companies. None of the shareholdings exceeds 20% of the issued capital of the respective investees and the Group did not have significant influence on these invested entities.
- (f) The investment represents a beneficial right attached to the 3.35% equity interest in a limited liability company established in the PRC held by Cinda Asset Management Co., Ltd. ("China Cinda") (the "Beneficial Right"), including the right to all the incomes derived from this equity interest.



# Notes to Financial Statements

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## 26. DERIVATIVE FINANCIAL INSTRUMENTS

	2024		2023	
	Assets	Liabilities	Assets	Liabilities
	RMB'000	RMB'000	RMB'000	RMB'000
Commodity derivative contracts and T + D forward contracts	514,853	(355,800)	139,179	(278,169)
Commodity option contracts	–	(38,954)	–	(18,516)
Provisional price arrangements	308,009	–	–	(279,086)
Foreign currency forward contracts	213,819	(242,161)	61,405	(111,740)
Total	1,036,681	(636,915)	200,584	(687,511)

	2024	2023
	RMB'000	RMB'000
<b>Including:</b>		
Derivatives designated as hedging instruments (a):		
Fair value hedges		
– Commodity derivative contracts and T + D forward contracts	34,017	(27,625)
– Provisional price arrangements	308,009	(279,086)
Subtotal	342,026	(306,711)
Derivatives not designated as hedging instruments (b):		
– Commodity derivative contracts and T + D forward contracts	125,036	(111,365)
– Commodity option contracts	(38,954)	(18,516)
– Foreign currency forward contracts	(28,342)	(50,335)
Subtotal	57,740	(180,216)
Total	399,766	(486,927)

The Group uses commodity derivative contracts, AU (T + D), AG (T + D) forward contracts and provisional price arrangements to hedge its commodity price risk. Commodity derivative contracts utilised by the Group are mainly standardised copper cathode futures contracts on the Shanghai Futures Exchange ("SHFE") and London Metal Exchange ("LME"), AU (T + D) and AG (T + D) forward contracts on Shanghai Gold Exchange ("SGE").

# Notes to Financial Statements

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## 26. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

### (a) Derivatives designated as hedging instruments

#### – Fair value hedge

Certain commodity derivative contracts, AU(T + D) and AG(T + D) forward 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 cash flow hedge and fair value hedge mentioned above were assessed to be highly effective.

As at 31 December 2024, the net fair value gain of provisional price arrangements for the fair value hedges of the Group was RMB308,009,000 (31 December 2023: fair value loss of RMB279,086,000). The net fair value gain of commodity derivative and T + D contracts for the fair value hedges of the Group was RMB34,017,000 (31 December 2023: fair value loss of RMB27,625,000).

### (b) Derivatives not designated as hedging instruments

The Group utilises commodity derivative and commodity option contracts to manage the commodity price risk of forecasted purchases of copper cathodes as well as copper components within copper concentrates, forecasted sales of copper wires and rods, and copper related products. These arrangements are designed to reduce significant fluctuations in the prices of copper concentrates, copper cathodes, copper wires and rods, and 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) forward contracts to manage the commodity price risk of forecasted sales of gold and silver and certain gold leases arrangement. 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 in exchange rates.

These commodity derivative and T + D forward contracts, foreign currency forward contracts are held for economic hedge but not designed as effective hedging instruments.

# Notes to Financial Statements

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## 27. DEFERRED TAXATION

The movements in deferred tax assets and liabilities during the year are as follows:

Deferred tax assets:

	Impairment of assets <i>RMB'000</i>	Accrued expenses <i>RMB'000</i>	Unrealised profits <i>RMB'000</i>	Deductible taxable loss <i>RMB'000</i>	Fair value change from forward currency contracts <i>RMB'000</i>	Fair value change from commodity derivative contracts <i>RMB'000</i>	Deferred revenue <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
At 1 January 2023	342,580	236,107	16,187	67,116	14,438	26,490	62,388	213,556	978,862
Deferred tax credited/ (charged) to profit or loss	34,971	28,521	8,634	1,416	1,318	2,262	(2,057)	113,991	189,056
At 31 December 2023	377,551	264,628	24,821	68,532	15,756	28,752	60,331	327,547	1,167,918
Deferred tax credited/ (charged) to profit or loss	135,295	23,824	11,993	(15,054)	(9,739)	(17,330)	16,966	(99,926)	46,029
At 31 December 2024	512,846	288,452	36,814	53,478	6,017	11,422	77,297	227,621	1,213,947

# Notes to Financial Statements

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## 27. DEFERRED TAXATION (CONTINUED)

The movements in deferred tax assets and liabilities during the year are as follows:  
(Continued)

Deferred tax liabilities:

	Fair value adjustments on property, plant and equipment, prepaid lease payments and exploration and evaluation assets <i>RMB'000</i>	Fair value change from commodity derivative contracts <i>RMB'000</i>	Fair value change from provisional price arrangements <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
At 1 January 2023	(366,902)	(56,555)	(61,275)	(129,212)	(613,944)
Deferred tax charged to other comprehensive income	–	–	–	(188)	(188)
Deferred tax credited/(charged) to profit or loss	16,054	41,162	17,109	(166,510)	(92,185)
At 31 December 2023	(350,848)	(15,393)	(44,166)	(295,910)	(706,317)
Deferred tax charged to other comprehensive income	–	–	–	(459)	(459)
Deferred tax credited/(charged) to profit or loss	58,466	(71,894)	(4,112)	197,121	179,581
At 31 December 2024	(292,382)	(87,287)	(48,278)	(99,246)	(527,193)

# Notes to Financial Statements

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## 27. DEFERRED TAXATION (CONTINUED)

For presentation purposes, certain deferred tax assets and liabilities have been offset in the statement of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

	Before elimination <i>RMB'000</i>	Elimination amount <i>RMB'000</i>	After elimination <i>RMB'000</i>
<b>At 31 December 2024</b>			
Deferred tax assets	1,213,947	(268,285)	945,662
Deferred tax liabilities	(527,193)	268,285	(258,908)
<b>At 31 December 2023</b>			
Deferred tax assets	1,167,918	(443,205)	724,713
Deferred tax liabilities	(706,315)	443,205	(263,110)

Deferred tax assets have not been recognised in respect of the following items:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Tax losses	7,585,572	4,743,615
Temporary difference	8,062,084	9,517,725
	<b>15,647,656</b>	<b>14,261,340</b>

The tax losses amounting to RMB6,101,000,000 (2023: RMB3,616,000,000) arising in Mainland China will expire in one to ten years if not utilised, and the rest of the tax losses are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of the above items as it is not considered probable that taxable profits will be available against which the above items can be utilised.

# Notes to Financial Statements

31 DECEMBER 2024

## 28. INVENTORIES

	2024 RMB'000	2023 RMB'000
Raw materials	18,731,074	16,402,530
Work in progress	17,797,259	15,047,556
Finished goods	9,868,416	10,187,595
Total	46,396,749	41,637,681
Less: Impairment allowance	1,543,419	1,099,299
Net carrying amount	44,853,330	40,538,382

As at 31 December 2024, no inventory (2023: RMB712,543,000) was mortgaged for the facilities of the letters of credit, of which none of facilities had been utilised.

As at 31 December 2024, certain of the Group's inventories with a net carrying amount of approximately RMB110,688,000 (2023: RMB95,178,000) was mortgaged as deposits for commodity derivative contracts.

As at 31 December 2024, certain of the Group's inventories with a net carrying amount of approximately RMB9,506,000 (2023: RMB9,506,000) was restricted due to litigation (note 48).

As at 31 December 2024, certain of the Group's inventories stocked in the third-party warehouses with net carrying amount of approximately RMB178,015,000 (2023: RMB301,854,000) were restricted due to the warehousing companies were involved in on-going legal proceedings.

As at 31 December 2024, the Group's inventories included hedged items under a hedging instrument of the provisional price arrangements, commodity derivative contracts and T + D forward contracts. The fair values of the hedged items amounted to RMB10,157,045,000 (2023: RMB10,339,932,000), which were estimated by reference to quoted bid prices of similar standardised commodity derivative and T + D contracts at the end of the reporting period. Their fair value measurements are categorised under Level 1.

# Notes to Financial Statements

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## 29. TRADE AND BILLS RECEIVABLES

	2024 RMB'000	2023 RMB'000
Trade receivables	11,073,719	9,720,041
Bills receivables	1,893,891	2,220,464
Total	12,967,610	11,940,505
Less: Impairment allowance	4,840,312	5,748,932
Net carrying amount	8,127,298	6,191,573

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

Trade receivables due from the Group's related parties are repayable on credit terms similar to those offered to the major customers of the Group. Details are given in note 50.

As at 31 December 2024, bills receivables of RMB52,484,000 (31 December 2023: nil) were mortgaged to secure bank borrowings.

As at 31 December 2024, no bills receivables (31 December 2023: RMB34,669,000) were pledged for the issuing bank acceptance notes.

The ageing analysis of trade and bills receivables as at the end of the reporting period, based on the delivery dates of goods and net of loss allowance, is as follows:

	2024 RMB'000	2023 RMB'000
Within 1 year	7,564,376	5,419,382
1 to 2 years	93,833	28,897
2 to 3 years	19,734	26,061
Over 3 years	449,355	717,233
Total	8,127,298	6,191,573



# Notes to Financial Statements

31 DECEMBER 2024

## 29. TRADE AND BILLS RECEIVABLES (CONTINUED)

The terms of bills receivable are all less than 12 months. As at 31 December 2024, the bills receivables were neither past due nor impaired (31 December 2023: the bills receivables were neither past due nor impaired).

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

	<b>2024</b> <b>RMB'000</b>	2023 RMB'000
At beginning of year	<b>5,748,932</b>	5,915,131
Impairment losses, net ( <i>note 9</i> )	<b>215,063</b>	(21,774)
Amounts written off as uncollectible	<b>(1,123,683)</b>	(144,425)
At end of year	<b>4,840,312</b>	5,748,932

The Group applies the simplified approach in calculating ECLs for trade receivables. Trade receivables relating to customers with known financial difficulties or significant doubt on collection are assessed individually for impairment allowance. The remaining trade receivables are grouped and collectively assessed for impairment allowance. Under the collective approach, an impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on ageing of bills for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The realisable value of collateral has been taken into account when the expected credit losses for trade receivables are assessed individually and collectively.

# Notes to Financial Statements

31 DECEMBER 2024

## 29. TRADE AND BILLS RECEIVABLES (CONTINUED)

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 31 December 2024

	Expected credit loss rate	Gross carrying amount <i>RMB'000</i>	Expected credit losses <i>RMB'000</i>	Net carrying amount <i>RMB'000</i>
Provision on individual basis	75.57%	6,183,669	(4,672,771)	1,510,898
Provision on collective basis				
Aged less than 1 year	0.33%	4,689,193	(15,320)	4,673,873
Aged 1 to 2 years	13.97%	25,847	(3,611)	22,236
Aged 2 to 3 years	48.17%	38,071	(18,337)	19,734
Aged over 3 years	95.13%	136,939	(130,273)	6,666
Total	43.71%	11,073,719	(4,840,312)	6,233,407

As at 31 December 2023

	Expected credit loss rate	Gross carrying amount <i>RMB'000</i>	Expected credit losses <i>RMB'000</i>	Net carrying amount <i>RMB'000</i>
Provision on individual basis	84.48%	6,606,802	(5,581,424)	1,025,378
Provision on collective basis				
Aged less than 1 year	0.35%	2,872,822	(10,109)	2,862,713
Aged 1 to 2 years	17.21%	66,262	(11,406)	54,856
Aged 2 to 3 years	44.21%	46,711	(20,650)	26,061
Aged over 3 years	98.35%	127,444	(125,343)	2,101
Total	59.15%	9,720,041	(5,748,932)	3,971,109

# Notes to Financial Statements

31 DECEMBER 2024

## 29. TRADE AND BILLS RECEIVABLES (CONTINUED)

As at 31 December 2024, the Group endorsed certain bank acceptance bills to its suppliers to settle the trade payables and discounted certain bank acceptance bills with commercial banks (collectively, the “Derecognised Bills”) with an aggregate carrying amount of RMB25,898,803,000 (31 December 2023: RMB26,622,338,000). The Derecognised Bills had a maturity of one to twelve months at 31 December 2024.

In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Derecognised Bills have a right of recourse against the Group if the accepting banks default (the “Continuing Involvement”). In the opinion of the Directors, the Group has transferred substantially all the risks and rewards relating to the Derecognised Bills and fully derecognised the Derecognised Bills accordingly. The maximum exposure to loss from the Group's Continuing Involvement in the Derecognised Bills and the undiscounted cash flows to repurchase these Derecognised Bills is equal to their carrying amounts. In the opinion of the Directors, the fair values of the Group's Continuing Involvement in the Derecognised Bills are not significant.

During the years ended 31 December 2024 and 2023, no gains or losses were recognised from the Continuing Involvement, both during the year or cumulatively. The endorsement and discount of bank acceptance bills have been made evenly throughout the year.

# Notes to Financial Statements

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## 30. FACTORING RECEIVABLES

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Factoring receivables	320,573	1,427,674
Less: Impairment allowance	196,430	1,168,688
Net carrying amount	124,143	258,986

Factoring receivables were at interest rates ranging from 5.5% to 11.00% per annum (2023: 5.5% to 11.00% per annum).

The movements in the loss allowance for impairment of factoring receivables are as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
At beginning of year	1,168,688	1,144,894
Impairment losses, net ( <i>note 9</i> )	9,262	23,794
Amounts written off as uncollectible	(981,520)	–
At end of year	196,430	1,168,688

Impairment on factoring receivables is measured as either 12-month expected credit losses or lifetime expected credit losses, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit losses. Details are given in note 54.

# Notes to Financial Statements

31 DECEMBER 2024

## 31. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	2024 RMB'000	2023 RMB'000
Prepayments	6,906,432	1,864,884
Deposits and other receivables	6,036,876	5,571,832
Prepaid value-added tax	1,469,440	1,257,925
Treasury bonds (a)	5,200,000	–
Deposits for prepaid lease payments	579,158	653,349
Loans to JCC's jointly controlled entities and associates	58,022	–
Subtotal	20,249,928	9,347,990
Less: Impairment allowance on		
– Other receivables	992,882	1,228,586
– Prepaid value added tax	5,990	5,990
	998,872	1,234,576
Net carrying amount	19,251,056	8,113,414
Less: Non-current portion		
Prepayments	3,066,107	918,078
Deposits and other receivables	110,713	112,181
Deposits for prepaid lease payments	579,158	653,349
Current portion	15,495,078	6,429,806

a) As of 31 December 2024, the Group held treasury bonds of RMB5,200,000,000 (2023: nil).

# Notes to Financial Statements

31 DECEMBER 2024

## 31. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS (CONTINUED)

As at 31 December 2024, certain of the Group's deposits and other receivables of RMB2,169,698,000 (2023: RMB1,718,914,000) were placed as deposits for commodity derivative contracts.

Prepayments, other receivables and other assets due from related parties included above are disclosed in note 50 to the financial statements.

Movements in the provision for impairment of other receivables are as follows:

	<b>2024</b> <b>RMB'000</b>	2023 RMB'000
At beginning of year	<b>1,228,586</b>	1,301,688
Impairment losses, net ( <i>note 9</i> )	<b>46,637</b>	11,930
Amounts written off as uncollectible	<b>(282,341)</b>	(8,825)
Disposal of a subsidiary	–	(76,207)
At end of year	<b>992,882</b>	1,228,586

Impairment on other receivables is measured as either 12-month expected credit losses or lifetime expected credit losses, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit losses.

# Notes to Financial Statements

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## 32. LOANS TO RELATED PARTIES

	2024 RMB'000	2023 RMB'000
Loans to related parties	3,419,923	2,401,976
Less: Impairment allowance	71,818	50,630
Net carrying amount	3,348,105	2,351,346
Less: Non-current portion	504,577	321,386
Current portion	2,843,528	2,029,960

The interest rate of the short-term loans to related parties was 2.32% to 4.60% per annum (2023: 2.6% to 6.00% per annum).

The impairment on loans to related parties is measured as 12-month expected credit losses with a balance of RMB71,818,000 as at 31 December 2024 (31 December 2023: RMB50,630,000).

## 33. CASH, CASH EQUIVALENTS AND RESTRICTED BANK DEPOSITS

	2024 RMB'000	2023 RMB'000
Cash and bank balances	30,375,757	35,620,030
Time deposits	10,196,005	9,219,504
	40,571,762	44,839,534
Less: Restricted bank deposits (a)	16,840,998	21,953,728
Current portion	16,840,998	17,494,980
Non-current portion	—	4,458,748
Time deposits	8,227,931	3,401,029
Current portion	3,583,984	1,813,340
Non-current portion	4,643,947	1,587,689
Cash and cash equivalents	15,502,833	19,484,777



# Notes to Financial Statements

31 DECEMBER 2024

## 33. CASH, CASH EQUIVALENTS AND RESTRICTED BANK DEPOSITS (CONTINUED)

- a) As at 31 December 2024, the restricted bank deposits included the following:
- Deposits amounting to RMB1,979,037,000 (2023: RMB5,612,975,000) were pledged to secure bank borrowings,
  - Deposits amounting to RMB12,331,658,000 (2023: RMB11,878,775,000) was pledged for issuing bank acceptance notes and letters of credit,
  - Deposits amounting to RMB440,021,000 (2023: RMB1,939,379,000) was pledged for the facilities of the letters of credit, of which none of facilities had been utilised,
  - Deposits amounting to RMB122,935,000 (2023: RMB452,386,000) was pledged for letters of guarantee,
  - Deposits amounting to RMB30,891,000 (2023: nil) were secured for foreign currency forward contracts,
  - Deposits amounting to RMB538,534,000 (2023: RMB413,333,000) was placed as environmental recovery deposits whose usage is restricted,
  - Cash in banks amounting to RMB82,585,000 (2023: RMB82,478,000) was restricted due to litigation,
  - Required mandatory reserve deposits and other restricted deposits amounting to RMB1,076,165,000 (2023: RMB943,858,000) was placed by Finance Company, a subsidiary of the Group, in the People's Bank of China ("PBC") and are not available for use in the Group's daily operations, and
  - Interests amounting to RMB239,172,000 (2023: RMB630,544,000) was accrued on deposits with banks.

# Notes to Financial Statements

31 DECEMBER 2024

## 33. CASH, CASH EQUIVALENTS AND RESTRICTED BANK DEPOSITS (CONTINUED)

At the end of the reporting period, the cash and cash equivalents and restricted bank deposits of the Group denominated in RMB amounted to RMB31,990,234,000 (2023: RMB34,233,885,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, and 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 31 December 2024, cash and bank balances of RMB2,122,452,000 (2023: RMB1,641,553,000) 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 days 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.

## 34. TRADE AND BILLS PAYABLES

	2024 RMB'000	2023 RMB'000
Trade payables	7,464,044	10,449,977
Bills payables	3,450,618	4,523,252
Total	10,914,662	14,973,229

The trade payables are non-interest-bearing and are normally settled on terms of one to three months.

As at 31 December 2024, the Group had no material balance of trade payable aged over one year (31 December 2023: no material balance of trade payable aged over one year).

Trade payables due to related parties included in trade and bills payables are disclosed in note 50.

# Notes to Financial Statements

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## 35. OTHER PAYABLES AND ACCRUALS

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Payroll and welfare	2,430,532	2,099,418
Current portion of employee benefit liabilities (note 41)	2,427	2,342
Other tax payables	664,132	911,343
Other payables	2,427,466	2,354,316
Payables for construction, equipment and spare parts	2,891,315	2,424,776
Contract liabilities (a)	4,273,711	1,397,395
Financial guarantee contracts (b)	38,651	32,546
Deposits from JCC's joint ventures and associates	15,681	—
Other liabilities due within one year (note 42)	483,794	502,315
Total	13,227,709	9,724,451

# Notes to Financial Statements

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## 35. OTHER PAYABLES AND ACCRUALS (CONTINUED)

(a) Details of contract liabilities are as follows:

	31 December 2024 RMB'000	31 December 2023 RMB'000	1 January 2023 RMB'000
<i>Short-term advances received from customers</i>			
Sale of goods	4,273,711	1,397,395	1,115,288
Total contract liabilities	4,273,711	1,397,395	1,115,288

Contract liabilities include short-term advances received to deliver products and render construction and other services.

(b) As at 31 December 2024, the Group has provided financial guarantees to banks in respect of bank facilities granted to non-controlling shareholders of a subsidiary to the extent of approximately RMB1,791,635,000 (2023: RMB1,400,700,000), and recorded a financial guarantee contract liability of RMB38,651,000 (2023: RMB32,546,000) accordingly.

Other payables and accruals are non-interest-bearing and have no significant balance aged more than one year.

Other payables and accruals due to related parties included above are disclosed in note 50 to the financial statements.

## 36. DEPOSITS FROM RELATED PARTIES

	2024 RMB'000	2023 RMB'000
Deposits from related parties	10,191,852	6,220,764
Less: Current portion	10,074,862	6,116,216
Non-current portion	116,990	104,548

As at 31 December 2024, the deposits from related parties represented the deposits placed by JCC and its subsidiaries in Finance Company, a subsidiary of the Company. The deposits carry interest at rates ranging from 0.35% to 3.50% per annum (2023: 0.35% to 3.85% per annum) and will be repaid upon demand of the JCC and its subsidiaries.

# Notes to Financial Statements

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## 37. DEFERRED REVENUE

	<b>Government grants</b> <i>RMB'000</i>
Cost	
As at 1 January 2023	541,811
Additions	35,455
Recognised in profit or loss	(67,779)
As at 31 December 2023	509,487
Less: Current portion included in current liabilities	64,021
Non-current portion as at 31 December 2023	445,466
As at 1 January 2024	509,487
Additions	122,279
Recognised in profit or loss	(69,303)
As at 31 December 2024	562,463
Less: Current portion included in current liabilities	70,685
Non-current portion as at 31 December 2024	491,778

The deferred revenue represents government subsidies granted to the Group in relation to its production facilities. The deferred revenue is released to the statement of profit or loss over the expected useful lives of the respective facilities by equal annual instalments.

# Notes to Financial Statements

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## 38. INTEREST-BEARING BANK BORROWINGS

	2024 RMB'000	2023 RMB'000
Bank borrowings – secured	27,106,268	22,550,656
Bank borrowings – unsecured	34,442,952	28,330,963
Interest payable	142,867	160,703
Total	61,692,087	51,042,322
Analysed into:		
On demand or within one year	47,776,953	37,453,136
More than one years, but not exceeding five years	13,915,134	13,589,186
Total	61,692,087	51,042,322
Current	47,776,953	37,453,136
Non-current	13,915,134	13,589,186

The bank borrowings carried interest at rates ranging from 1.69% to 3.36% (2023: 1.50% to 6.69%) per annum.

Guaranteed borrowings amounting to RMB3,229,559,000 (2023: RMB682,955,000) were guaranteed by the non-controlling shareholders of the Group's subsidiaries and was secured by deposits with a carrying value of RMB1,304,909,000 (2023: Nil).

Pledged borrowings amounting to RMB13,911,459,000 (2023: RMB11,358,824,000) were secured by discounted bill receivables between inter-companies.

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

The secured bank borrowings of RMB2,997,000,000, with maturity dates ranging from January 2026 to January 2027, are subject to covenants. As at 31 December 2024, the directors assess that the Group has met the relevant contractual covenants, therefore, the covenants have no impact on the liquidity classification of bank borrowings.

# Notes to Financial Statements

31 DECEMBER 2024

## 39. CORPORATE BONDS

	2024 RMB'000	2023 RMB'000
Corporate bonds (a)	2,000,000	2,000,000
Medium-term note (b)	1,000,000	1,500,000
Convertible bonds (c)	2,216,242	1,549,838
Interest payable	27,087	55,565
Total	5,243,329	5,105,403

The amounts are repayable as follows:

On demand or within one year	2,027,087	55,565
More than one year, but not exceeding five years	3,216,242	5,049,838
Total	5,243,329	5,105,403
Current portion	2,027,087	55,565
Non-current portion	3,216,242	5,049,838

- (a) Pursuant to the approval of the China Securities Regulatory Commission (No. [2021] 2131), the Company issued 20,000,000 certificates of bonds at par with a nominal value of RMB100 each, in an aggregate amount of RMB2,000,000,000 on 14 September 2022. The bonds have a life of three years from the date of issuance and bear interest at a rate of 2.67% per annum which is payable in arrears on 15 September of each year, and with principal repaid on maturity.
- (b) Pursuant to the approval of the National Association of Financial Market Institutional Investors (No. [2021] MTN91 and No. [2023] MTN482), Shandong Humon issued medium-term notes which are listed on the National Association of Financial Market Institution Investors. The approved notes facilities amounted to RMB3,000,000,000 and RMB2,000,000,000 which will expire in two years, respectively. These medium-term notes have a life of three years from the date of issuance and bear interest at rates of 2.27% to 3.75% per annum. At 31 December 2024, medium-term notes of RMB500,000,000 and 500,000,000 was issued in December 2023 and November 2024 and are repayable within two and three years respectively.
- (c) Pursuant to the approval of the China Securities Regulatory Commission (No. [2023] 1132), Shandong Humon issued the convertible bonds at a par value of RMB100 each with an aggregate principal amount of RMB3,160,000,000 issued on 16 June 2023 (the "2023 Issue"). The 2023 Issue have a life of six years from the date of issuance and bear interests at the rate of 0.20% for the first year, 0.40% for the second year, 0.60% for the third year, 1.50% for the fourth year, 1.80% for the fifth year and 2.00% for the sixth year which is payable in arrears on 16 June of each year. The bonds are convertible into ordinary shares on 18 December 2023 to 11 June 2029 on the basis of one ordinary share at a price of RMB11.46 per bond. After this issuance, if Shandong Humon issues bonus shares, increases share capital, issues new shares, rights issues, or distributes cash dividends, the conversion price will be cumulatively adjusted in the order in which the above conditions occur.

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## 39. CORPORATE BONDS (CONTINUED)

The total amount of bonds issued by Shandong Humon to third parties outside the Group is RMB2.47 billion. The Group recognizes the fair value of corporate bonds without equity conversion and other similar conditions as the initial recognition amount of the bond liability portion, and recognizes the difference between the bond issuance price and the fair value of the liability portion as an equity instrument and includes it in the equity of the Company's shareholders.

## 40. PROVISION FOR REHABILITATION

	2024 RMB'000	2023 RMB'000
Balance at 1 January	295,312	356,986
Unwinding of discount	17,795	14,940
Disposal	—	(76,614)
Balance at 31 December	313,107	295,312

The Group makes provision for rehabilitation costs expected to arise on closure of mines. The provision is based on assessments of the cost per square meter to rehabilitate the underground workings, waste dumps, mine site infrastructure and vegetation zones. The estimation basis is reviewed on an ongoing basis and revised where appropriate.

## 41. EMPLOYEE BENEFIT LIABILITIES

	2024 RMB'000	2023 RMB'000
Employee benefit liabilities	18,175	17,411
Less: Amount due within one year included in other payables and accruals	2,427	2,342
Non-current portion	15,748	15,069

The balance represents the bonus payable to senior management and middle-level management under management incentive schemes. The non-current portion of employee benefit liabilities is payable after 2025 and is indexed to the rate of growth of the Group's net assets.



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## 42. OTHER LIABILITIES

	2024 RMB'000	2023 RMB'000
Payables for mining rights	741,023	1,104,355
Financing lease payable	319,808	319,563
Payable to JCC	1,013	3,023
Others	8,813	50,294
Subtotal	1,070,657	1,477,235
The amounts are repayable as follows:		
On demand or within one year	483,794	502,315
More than one year, but not exceeding two years	369,801	290,665
More than two years, but not exceeding five years	102,272	538,807
More than five years	114,790	145,448
Total	1,070,657	1,477,235
Less: Current included in other payables and accruals (note 35)	483,794	502,315
Non-current portion	586,863	974,920

The directors have estimated that there was no significant difference between the carrying amounts of other liabilities and their fair values, based on the amounts due after one year discounted with the market average yield.

# Notes to Financial Statements

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## 43. SHARE CAPITAL

	<b>2024</b> <b>RMB'000</b>	2023 RMB'000
Balance at 31 December 2024 and 2023		
– H shares	<b>1,387,482</b>	1,387,482
– A shares	<b>2,075,247</b>	2,075,247
Total	<b>3,462,729</b>	3,462,729

Except for the currency in which dividends are paid and the restrictions regarding the shareholders being PRC investors, designated investors or foreign investors, H shares and A shares rank pari passu in all respects with each other.

As at 31 December 2024, the Company held 10,447,768 (31 December 2023: nil) of its A share, which were re-acquired by the Company at a total consideration of RMB258,749,000 during the year ended 31 December 2024.

## 44. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 195 to 196 of the financial statements.

# Notes to Financial Statements

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## 45. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

Details of the Group's subsidiary that has material non-controlling interests are set out below:

### Shandong Humon

	2024	2023
Percentage of equity interest held by non-controlling interests:		
Shandong Humon	55.52%	55.52%
	2024 RMB'000	2023 RMB'000
Profit for the year allocated to non-controlling interests:		
Shandong Humon	260,813	252,344
Accumulated balances of non-controlling interests at the reporting date		
Shandong Humon	6,059,696	5,633,061
	2024 RMB'000	2023 RMB'000
Non-current assets	9,580,887	7,645,319
Current assets	16,087,485	15,251,307
Total assets	25,668,372	22,896,626
Non-current liabilities	6,175,727	6,335,351
Current liabilities	8,933,875	6,505,923
Total liabilities	15,109,602	12,841,274
Revenue	75,800,750	65,419,287
Profit for the year	469,764	454,511
Other comprehensive income for the year	522,188	509,969
Net cash inflows from operating activities	411,583	1,032,113

# Notes to Financial Statements

31 DECEMBER 2024

## 46. NOTES TO THE STATEMENT OF CASH FLOWS

### (a) Major non-cash transactions

During the year, the Group had major non-cash transactions related to offsetting and derecognition of financial assets and financial liabilities. Details are given in note 53.

### (b) Changes in liabilities arising from financing activities

	Corporate bonds <i>RMB'000</i>	Interest- bearing bank borrowings <i>RMB'000</i>	Dividend <i>RMB'000</i>	Lease liabilities <i>RMB'000</i>	Sales and leaseback <i>RMB'000</i>	Total <i>RMB'000</i>
At 1 January 2023	3,556,150	48,619,721	–	200,112	213,924	52,589,907
Financing cash flows	1,387,026	14,652,388	(1,960,793)	(186,758)	(95,767)	13,796,096
Non-cash changes:						
Interests on borrowings	162,227	1,591,248	–	6,730	1,406	1,761,611
Addition of principal of a lease payment	–	–	–	515,149	200,000	715,149
Offsetting and derecognition of financial assets and financial liabilities	–	(13,927,263)	–	–	–	(13,927,263)
Dividend declared	–	–	1,960,793	–	–	1,960,793
Foreign exchange translation	–	106,228	–	–	–	106,228
At 31 December 2023	5,105,403	51,042,322	–	535,233	319,563	57,002,521
Financing cash flows	(23,611)	646,351	(2,290,174)	(186,612)	–	(1,854,046)
Non-cash changes:						
Interests on borrowings	162,034	1,885,404	–	21,104	245	2,068,787
Addition of principal of a lease payment	–	–	–	10,897	–	10,897
Effect of business combination not under common control	–	–	–	3,872	–	3,872
Offsetting and derecognition of financial assets and financial liabilities	–	8,162,995	–	–	–	8,162,995
Dividend declared	–	–	2,290,174	–	–	2,290,174
Foreign exchange translation	–	(44,985)	–	–	–	(44,985)
Others	(497)	–	–	–	–	(497)
At 31 December 2024	5,243,329	61,692,087	–	384,494	319,808	67,639,718

# Notes to Financial Statements

31 DECEMBER 2024

## 46. NOTES TO THE STATEMENT OF CASH FLOWS (CONTINUED)

### (c) Total cash flow for leases

The total cash outflow for leases included in the statement of cash flows is as follows:

	2024 RMB'000	2023 RMB'000
Within investing activities	(117,878)	(232,585)
Within financing activities	(186,612)	(186,758)
Total	(304,490)	(419,343)

## 47. PLEDGE OF ASSETS

Details of the Group's assets pledged for the Group's bank loans are included in notes 17, 28, 29, 31, 33 and 38, respectively, to the financial statements.

## 48. CONTINGENT LIABILITIES

A subsidiary of the Company, Shenzhen Jiangxi Copper Marketing Company Limited, is currently a defendant in a lawsuit filed by Bangdi Auto Technology Company Limited ("Bangdi Auto") alleging that the subsidiary has breached a sales 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. At present, the case is still in the process of trial. 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.

# Notes to Financial Statements

31 DECEMBER 2024

## 49. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Contracted, but not provided for		
Investments in associates (i)	1,590,723	1,580,880
Investment in financial product	—	532,619
Acquisition of property, plant and equipment and exploration and evaluation rights	1,210,951	2,056,705
<b>Total</b>	<b>2,801,674</b>	<b>4,170,204</b>

- i. The Group and China Metallurgical Group Corporation ("CMCC") incorporated MCC-JCL in September 2008. Prior to the introduction of other independent investors, the initial shareholdings of the Company and CMCC in MCC-JCL were 25% and 75% respectively. The principal business of MCC-JCL is to explore and exploit minerals in the Central and Western mineralised zones in Aynak Mine in Afghanistan.

The total investment of MCC-JCL shall initially be USD4,390,835,000 and shall be funded by capital injection from shareholders and by project loan financing in the proportions of 30% and 70%, respectively. The capital injection shall be contributed by the Company and CMCC on a pro rata basis. The Company shall not be obliged to provide guarantees, indemnities or capital commitments for the project loan financing. As at 31 December 2024, the Group contributed USD106,110,000 (31 December 2023: USD106,110,000).

# Notes to Financial Statements

31 DECEMBER 2024

## 50. RELATED PARTY TRANSACTIONS

In addition to the transactions detailed in notes 32 and 36 in these financial statements, the Group had the following transactions with related parties during the year:

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

	2024 RMB'000	2023 RMB'000
Sales to JCC:		
Sales of silver	69,312	–
Sales of auxiliary industrial products	–	2,534
Total	69,312	2,534
Sales to JCC's affiliates:		
Sales of copper cathodes	1,165,247	962,599
Sales of copper rods	813,927	685,423
Sales of gold concentrates	391,955	–
Sales of silver concentrates	374,039	–
Sales of lead materials	69,993	80,223
Sales of auxiliary industrial products	49,165	51,008
Sales of zinc concentrates	46,397	47,780
Sales of auxiliary materials	13,478	45,598
Sales of sulphuric acid	4,867	2,304
Sales of copper processing products	–	261,911
Sales of Tin	–	82,901
Total	2,929,068	2,219,747

# Notes to Financial Statements

31 DECEMBER 2024

## 50. RELATED PARTY TRANSACTIONS (CONTINUED)

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

	2024 RMB'000	2023 RMB'000
Purchases from JCC's affiliates:		
Purchases of silver	3,139,420	1,228,841
Purchases of gold	753,240	293,491
Purchase of auxiliary industrial products	192,951	82,982
Purchases of copper concentrates	34,587	16,608
Purchase of copper anode	16,539	–
Purchases of sulfuric and sulfuric concentrates	15,438	6,915
Purchases of blister copper	13,590	2,752
Purchase of copper rod	180	–
Total	4,165,945	1,631,589
Service fees charged to JCC:		
Construction services	245,251	51,521
Supply of electricity	2,724	–
Vehicle transportation services	143	–
Other services	3,276	95
Total	251,394	51,616



# Notes to Financial Statements

31 DECEMBER 2024

## 50. RELATED PARTY TRANSACTIONS (CONTINUED)

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

	2024 RMB'000	2023 RMB'000
Service fees charged to JCC's affiliates:		
Construction services	109,633	54,682
Vehicle transportation services	57,001	31,706
Supply of electricity	41,066	35,164
Rentals for public facilities	5,749	5,168
Repair and maintenance services	1,108	5,606
Supply of water	53	162
Other services	57,569	28,888
Total	272,179	161,376
Service fees charged by JCC:		
Labour service	151	417
Service fees charged by JCC's affiliates:		
Repair and maintenance services	139,390	188,374
Labour service	79,492	54,113
Construction services	77,348	31,958
Purchase of spare parts and workpieces	17,187	106,753
Brokerage agency services for commodity derivative contracts	13,309	10,939
Vehicle transportation services	127	16,178
Total	326,853	408,315

# Notes to Financial Statements

31 DECEMBER 2024

## 50. RELATED PARTY TRANSACTIONS (CONTINUED)

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

	2024 RMB'000	2023 RMB'000
Sales lease back provided from JCC's affiliates	200,000	200,000
Interest expenses for sales lease back provided from JCC's affiliates	235	235
Loans provided to JCC's affiliates*	3,317,100	2,289,980
Interest income for loans provided to JCC's affiliates	85,214	94,806
Interest expenses for deposits made from JCC's affiliates	18,420	9,424
Interest expenses for deposits made from JCC	57,491	74,566
Business combination consideration paid to JCC	—	6,422
Loans received from JCC's affiliates	95,501	—

\* In 2023, the Group entered into rental agreements to rent certain land use rights in Jiangxi Province from JCC at an annual rental fee of RMB196,223,000 with a lease period from 1 January 2024 to 31 December 2026. The total rental fee amounted to RMB196,223,000 for the year ended 31 December 2024 (2023: RMB196,971,000).

The daily credit balance offered by Finance Company to JCC and its affiliates will neither exceed the deposits from JCC and its affiliates nor exceed the ceiling amount of RMB3,500,000,000 as agreed in the financial service agreement entered into by the two parties.

Transactions with related parties are negotiated and agreed by both parties with reference to market prices.

# Notes to Financial Statements

31 DECEMBER 2024

## 50. RELATED PARTY TRANSACTIONS (CONTINUED)

### (b) Related party transactions with Company's jointly controlled entities and associates:

	2024 RMB'000	2023 RMB'000
Sales to related parties:		
Sales of silver	1,257,676	582,811
Sales of gold	195,253	–
Total	1,452,929	582,811
Purchases from related parties:		
Purchases of blister copper*	764,014	–
Purchases of copper anode*	727,814	–
Purchases of gold	194,639	98,320
Purchases of copper concentrate	78,664	45,211
Purchases of other products	1,997	15,783
Purchases of silver	57,303	144,262
Total	1,824,431	303,576
Loans provided to related parties	111,000	71,730

\* The transaction amount represents purchases of raw materials by the Group from FQM during the period from 22 October 2024, i.e. the Effective Date of the equity-method accounting (note 24), to 31 December 2024.

# Notes to Financial Statements

31 DECEMBER 2024

## 50. RELATED PARTY TRANSACTIONS (CONTINUED)

### (b) Related party transactions with Company's jointly controlled entities and associates: (Continued)

	2024 RMB'000	2023 RMB'000
Service fees charged to related parties:		
Supply of electricity	—	1,119
Supply of other services	2,250	1,664
<b>Total</b>	<b>2,250</b>	<b>2,783</b>
Interest income on loans provided to related parties	1,089	1,041
Interest expenses on deposits made from related parties	5	7
Loans received from related parties	17,700	71,730
Deposits from related parties	7	649

Transactions with related parties mentioned above are negotiated and agreed by both parties with reference to market prices.

# Notes to Financial Statements

31 DECEMBER 2024

## 50. RELATED PARTY TRANSACTIONS (CONTINUED)

### (c) Related party transactions with Group's penultimate controlling party's affiliates and its subsidiaries:

	2024 RMB'000	2023 RMB'000
Sales to related parties:		
Sales of copper cathodes	3,324,177	1,541,819
Sales of other products	13,436	21,361
Sales of auxiliary industrial products	–	147
Total	3,337,613	1,563,327
Purchases from related parties:		
Purchases of copper cathodes	403,721	–
Purchases of copper concentrates	–	29,969
Purchases of other products	3,792	3,218
Total	407,513	33,187
Service fees charged to related parties:		
Construction services and transportation services	839	2,531
Service fees charged by related parties:		
Labour services	104,304	61,777
Construction services	47,849	305,089
Other services	3,716	3,049
Total	155,869	369,915

Transactions with related parties mentioned above are negotiated and agreed by both parties with reference to market prices.

# Notes to Financial Statements

31 DECEMBER 2024

## 50. RELATED PARTY TRANSACTIONS (CONTINUED)

### (d) Outstanding balances with related parties:

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

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Bills receivables:		
JCC's affiliates	2,666	225,707
Trade receivables:		
JCC's affiliates	817,078	231,782
JCC	48,002	18,253
The Group's jointly controlled entities and associates	175	910
Group's penultimate controlling party's affiliates and its subsidiaries	342	–
Total	865,597	250,945
Prepayments:		
The Group's jointly controlled entities and associates	3,594,230	1,569
JCC's affiliates	16,986	16,030
Total	3,611,216	17,599
Other receivables:		
JCC's affiliates	1,839,942	1,648,344
The Group's jointly controlled entities and associates	13,035	13,103
Total	1,852,977	1,661,447

# Notes to Financial Statements

31 DECEMBER 2024

## 50. RELATED PARTY TRANSACTIONS (CONTINUED)

### (d) Outstanding balances with related parties: (Continued)

	2024 RMB'000	2023 RMB'000
Loans to related parties:		
JCC's affiliates	3,250,105	2,321,976
The Group's jointly controlled entities and associates	98,000	29,370
Total	3,348,105	2,351,346
Trade and bills payables:		
JCC's affiliates	454,505	312,740
The Group's jointly controlled entities and associates	101,932	8,955
JCC	28	58
Total	556,465	321,753
Contract liabilities:		
JCC's affiliates	359,190	1,326
Other payables:		
JCC	211,043	241,811
The Group's penultimate controlling party's affiliates	91,823	108,939
JCC's affiliates	90,500	254,185
The Group's jointly controlled entities and associates	773	20,000
Total	394,139	624,935

# Notes to Financial Statements

31 DECEMBER 2024

## 50. RELATED PARTY TRANSACTIONS (CONTINUED)

### (d) Outstanding balances with related parties: (Continued)

	2024 RMB'000	2023 RMB'000
Deposits from related parties:		
JCC	5,214,128	2,548,499
JCC's affiliates	4,977,717	3,671,616
The Group's jointly controlled entities and associates	7	649
Total	10,191,852	6,220,764
Lease liabilities:		
JCC	384,494	534,822
Other liabilities:		
JCC	1,013	3,023
JCC's affiliates	95,501	–
Total	96,514	3,023

The above balances arose from the aforementioned transactions, loans and deposits to/from related parties and payments made by the Group and related parties on behalf of each other. These balances were unsecured, interest-free and had no fixed repayment terms except for loans, deposits from, and other non-current liabilities, the terms of which have not changed from the terms of which were in accordance with that set out in the respective agreements or mutually agreed between the parties concerned.



# Notes to Financial Statements

31 DECEMBER 2024

## 50. RELATED PARTY TRANSACTIONS (CONTINUED)

### (e) Compensation of key management personnel of the Group:

	2024 RMB'000	2023 RMB'000
Short-term employee benefits	13,139	16,982

The transactions disclosed in item (a) and (c) above also constitute connected transactions and/or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

Further details of directors and executive's remuneration are included in note 12 to the consolidation financial statements.

Having due regard to the substance of the relationships, the directors are of the opinion that meaningful information relating to related party disclosures has been adequately disclosed, and the Group has complied with the disclosure requirements in Chapter 14A of the Listing Rules.

The Group itself is part of a larger group of companies under the State-owned Assets Supervision and Administration Commission of the People's Government of Jiangxi Province, which is controlled by the PRC government and the Group operates in an economic environment currently pre-dominated by entities controlled, jointly controlled or significantly influenced by the PRC government.

Apart from the transactions with the parent company and its subsidiaries which have been disclosed in other notes to the consolidated financial statements, the Group also conducts business with entities directly or indirectly controlled, jointly controlled or significantly influenced by the PRC government in the ordinary course of business, including majority of its bank deposits and the corresponding interest income, certain bank borrowings and the corresponding finance costs, and significant purchases and sales of copper and other related products and utility services.

# Notes to Financial Statements

31 DECEMBER 2024

## 51. FINANCIAL INSTRUMENTS BY CATEGORY

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

**As at 31 December 2024**

### Financial assets

	Financial assets at fair value through profit and loss		Financial assets at fair value through other comprehensive income		Financial assets at amortised cost	Total
	Designated as such upon initial recognition	Mandatorily designated as such	Debt investments	Equity investments		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Financial instruments other than derivatives	–	7,583,390	134,600	62,507	–	7,780,497
Derivative financial instruments	–	1,036,681	–	–	–	1,036,681
Trade and bills receivables	–	–	1,779,282	–	6,348,016	8,127,298
Factoring receivables	–	–	–	–	124,143	124,143
Loans to related parties	–	–	–	–	3,348,105	3,348,105
Financial assets included in prepayments, other receivables and other assets	–	–	–	–	10,162,484	10,162,484
Time deposits	–	–	–	–	8,227,931	8,227,931
Restricted bank deposits	–	–	–	–	16,840,998	16,840,998
Cash and cash equivalents	–	–	–	–	15,502,833	15,502,833
<b>Total</b>	<b>–</b>	<b>8,620,071</b>	<b>1,913,882</b>	<b>62,507</b>	<b>60,554,510</b>	<b>71,150,970</b>

# Notes to Financial Statements

31 DECEMBER 2024

## 51. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

### Financial liabilities

	Financial assets at fair value through profit and loss		
	Held for trading RMB'000	Financial liabilities at amortised cost RMB'000	Total RMB'000
Trade and bills payables	—	10,914,662	10,914,662
Financial liabilities included in other payables and accruals	38,651	4,607,220	4,645,871
Derivative financial instruments	636,915	—	636,915
Deposits from related parties	—	10,191,852	10,191,852
Interest-bearing bank borrowings	—	61,692,087	61,692,087
Corporate bonds	—	5,243,329	5,243,329
Lease liabilities	—	384,494	384,494
Other liabilities	—	1,070,657	1,070,657
Total	675,566	94,104,301	94,779,867

# Notes to Financial Statements

31 DECEMBER 2024

## 51. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

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

As at 31 December 2023

### Financial assets

	Financial assets at fair value through profit and loss		Financial assets at fair value through other comprehensive income		Financial assets at amortised cost	Total
	Designated as such upon initial recognition <i>RMB'000</i>	Mandatorily designated as such <i>RMB'000</i>	Debt investments <i>RMB'000</i>	Equity investments <i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Financial instruments other than derivatives	–	8,979,812	–	7,526,703	–	16,506,515
Derivative financial instruments	–	200,584	–	–	–	200,584
Trade and bills receivables	–	–	1,781,688	–	4,409,885	6,191,573
Factoring receivables	–	–	–	–	258,986	258,986
Loans to related parties	–	–	–	–	2,351,346	2,351,346
Financial assets included in prepayments, other receivables and other assets	–	–	–	–	4,147,461	4,147,461
Time deposits	–	–	–	–	3,401,029	3,401,029
Restricted bank deposits	–	–	–	–	21,953,728	21,953,728
Cash and cash equivalents	–	–	–	–	19,484,777	19,484,777
<b>Total</b>	<b>–</b>	<b>9,180,396</b>	<b>1,781,688</b>	<b>7,526,703</b>	<b>56,007,212</b>	<b>74,495,999</b>

# Notes to Financial Statements

31 DECEMBER 2024

## 51. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

### Financial liabilities

	Financial liabilities at fair value through profit and loss	Financial liabilities at amortised cost	Total
	Held for trading RMB'000	RMB'000	RMB'000
Trade and bills payables	–	14,973,229	14,973,229
Financial liabilities included in other payables and accruals	32,546	4,814,894	4,847,440
Derivative financial instruments	687,511	–	687,511
Deposits from related parties	–	6,220,764	6,220,764
Interest-bearing bank borrowings	–	51,042,322	51,042,322
Corporate bonds	–	5,105,403	5,105,403
Lease liabilities	–	535,233	535,233
Other liabilities	–	1,477,235	1,477,235
<b>Total</b>	<b>720,057</b>	<b>84,169,080</b>	<b>84,889,137</b>

# Notes to Financial Statements

31 DECEMBER 2024

## 52. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

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

The fair values of the non-current portion of deposits, interest-bearing bank borrowings, corporate bonds and other liabilities have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The fair values have been assessed to be approximate to their carrying amounts. The changes in fair value as a result of the Group's own non-performance risk for interest-bearing bank borrowings and corporate bonds as at 31 December 2024 were assessed to be insignificant.

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

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

# Notes to Financial Statements

31 DECEMBER 2024

## 52. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

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

- The fair values of listed debentures and listed equity securities are based on quoted market prices.
- The fair values of investment in financial products have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The fair values have been assessed to be approximate to their carrying amounts.
- The fair value of a bond investment has been estimated based on its expected cash flows discounted by the quoted annual return rate of a similar bond investment. The fair values have been assessed to be approximate to their carrying amounts.
- The fair values of unlisted equity investments and income right attached to a target equity interest have been estimated based on the comparable companies analysis in terms of a series key ratios. Management believes that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated statements of financial position, and the related changes in fair values, which are recorded in profit or loss, are reasonable, and that they were the most appropriate values as at 31 December 2024.

The discount for lack of marketability represents the amounts of premiums and discounts determined by the Group that market participants would take into account when pricing the investments.

# Notes to Financial Statements

31 DECEMBER 2024

## 52. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

The Group enters into derivative financial instruments with various counterparties, principally financial institutions with good credit ratings. Derivative financial instruments include commodity derivative and T+D contracts, provisional price arrangements, forward currency contracts:

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



# Notes to Financial Statements

31 DECEMBER 2024

## 52. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

### Fair value hierarchy

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

31 December 2024:

	Fair value measurement using			
	Quoted prices in active markets (Level 1) <i>RMB'000</i>	Significant observable inputs (Level 2) <i>RMB'000</i>	Significant unobservable inputs (Level 3) <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Financial assets:</b>				
Listed equity securities	148,485	80,445	–	228,930
Listed debentures	705,178	–	–	705,178
Investments in financial products	2,119,574	30,255	3,583,735	5,733,564
Bonds investments	134,601	–	–	134,601
Unlisted equity investments	–	–	543,198	543,198
Unlisted equity investments in the PRC(FVOCI)	–	–	62,507	62,507
Income right attached to a target equity interest	–	–	372,520	372,520
Derivative financial instruments:				
– Commodity derivative contracts and T+D forward contracts	514,853	–	–	514,853
– Provisional price arrangements	–	308,009	–	308,009
– Foreign currency forward contracts	–	213,819	–	213,819
Bills receivables	–	1,779,282	–	1,779,282
Inventories designated as hedged items	10,157,045	–	–	10,157,045
<b>Total</b>	<b>13,779,736</b>	<b>2,411,810</b>	<b>4,561,960</b>	<b>20,753,506</b>
<b>Financial liabilities:</b>				
Derivative financial instruments:				
– Commodity derivative contracts and T+D forward contracts	355,800	–	–	355,800
– Commodity option contracts	–	38,954	–	38,954
– Foreign currency forward contracts	–	242,161	–	242,161
Other payables and accruals				
– Financial guarantee contracts	–	–	38,651	38,651
<b>Total</b>	<b>355,800</b>	<b>281,115</b>	<b>38,651</b>	<b>675,566</b>

# Notes to Financial Statements

31 DECEMBER 2024

## 52. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

### Fair value hierarchy (Continued)

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

31 December 2023:

	Fair value measurement using			
	Quoted prices in active markets (Level 1) <i>RMB'000</i>	Significant observable inputs (Level 2) <i>RMB'000</i>	Significant unobservable inputs (Level 3) <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Financial assets:</b>				
Listed equity securities	160,285	77,645	–	237,930
Listed debentures	3,909,900	–	–	3,909,900
Investments in financial products	1,197,317	27,966	2,277,957	3,503,240
Unlisted equity investments	–	179,953	709,039	888,992
Listed equity securities in the TSX	7,465,526	–	–	7,465,526
Unlisted equity investments in the PRC(FVOCI)	–	–	61,177	61,177
Income right attached to a target equity interest	–	–	439,750	439,750
Derivative financial instruments:				
– Commodity derivative contracts and T+D forward contracts	139,179	–	–	139,179
– Foreign currency forward contracts	–	61,405	–	61,405
Bills receivables	–	1,781,688	–	1,781,688
Inventories designated as hedged items	10,339,932	–	–	10,339,932
<b>Total</b>	<b>23,212,139</b>	<b>2,128,657</b>	<b>3,487,923</b>	<b>28,828,719</b>
<b>Financial liabilities:</b>				
Derivative financial instruments:				
– Commodity derivative contracts and T+D forward contracts	278,169	–	–	278,169
– Commodity option contracts	–	18,516	–	18,516
– Provisional price arrangements	–	279,086	–	279,086
– Foreign currency forward contracts	–	111,740	–	111,740
Other payables and accruals				
– Financial guarantee contracts	–	–	32,546	32,546
<b>Total</b>	<b>278,169</b>	<b>409,342</b>	<b>32,546</b>	<b>720,057</b>

# Notes to Financial Statements

31 DECEMBER 2024

## 52. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

### Fair value hierarchy (Continued)

The movements in fair value measurements within Level 3 during the year are as follows:

	<b>2024</b> <b>RMB'000</b>	2023 RMB'000
At 1 January	<b>3,487,923</b>	2,967,846
Purchase	<b>12,184,501</b>	12,562,332
Total gains recognised in the statement of profit or loss	<b>140,470</b>	284,004
Total gains recognised in other comprehensive income	<b>1,331</b>	1,246
Disposals	<b>(11,252,265)</b>	(12,327,505)
At 31 December	<b>4,561,960</b>	3,487,923

During the reporting period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for financial liabilities (2023: Nil).

# Notes to Financial Statements

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## 53. OFFSETTING AND DERECOGNITION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Financial assets and financial liabilities are offset only when the Group has a current and legally enforceable right to set-off the recognised amounts and when there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

The tables hereafter show the carrying amounts of recognised financial assets and financial liabilities that are subject to various offsetting arrangements. The net column would be on the Group's statement of financial position, when the offsetting rights were exercised.

### 31 December 2024:

	<b>Financial instruments (gross) RMB'000</b>	<b>Amounts offset in the statement of financial position(a) RMB'000</b>	<b>Amounts offset in the statement of financial position(b) RMB'000</b>	<b>Financial instruments (net) RMB'000</b>
<b>Financial assets:</b>				
Restricted bank deposits	22,547,756	(1,265,410)	(4,441,348)	16,840,998
Derivative financial instruments	1,094,189	(23,684)	(33,824)	1,036,681
<b>Total</b>	<b>23,641,945</b>	<b>(1,289,094)</b>	<b>(4,475,172)</b>	<b>17,877,679</b>
<b>Financial liabilities:</b>				
Interest-bearing bank borrowings	67,456,353	(1,289,094)	(4,475,172)	61,692,087

# Notes to Financial Statements

31 DECEMBER 2024

## 53. OFFSETTING AND DERECOGNITION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

31 December 2023:

	Financial instruments (gross) RMB'000	Amounts offset in the statement of financial position(a) RMB'000	Amounts offset in the statement of financial position(b) RMB'000	Financial instruments (net) RMB'000
<b>Financial assets:</b>				
Restricted bank deposits	35,807,378	(4,938,332)	(8,915,318)	21,953,728
Derivative financial instruments	277,338	(48,664)	(28,090)	200,584
Total	36,084,716	(4,986,996)	(8,943,408)	22,154,312
<b>Financial liabilities:</b>				
Interest-bearing bank borrowings	64,969,585	(4,986,996)	(8,940,267)	51,042,322
Derivative financial instruments	690,654	–	(3,143)	687,511
Total	65,660,239	(4,986,996)	(8,943,410)	51,729,833

(a) Pursuant to certain of offsetting agreements entered into between the Group and the counterparties, the Group had rights to exercise the offsetting of the financial assets and liabilities prior to the maturity.

(b) Pursuant to certain of offsetting agreements entered into between the Group and the counterparties, the counterparties had rights to exercise the offsetting of the financial assets and liabilities prior to the maturity.

# Notes to Financial Statements

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## 54. FAIR VALUE RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments, other than derivatives, comprise loans and borrowings, cash and cash equivalents, corporate bonds and deposits from related parties. The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as trade and bills receivables, other receivables, trade and bills payables, and financial liabilities in other payables and accruals, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below. The Group's accounting policies in relation to financial instruments are set out in note 2.4 to the financial statements.

### Interest rate risk

The Group's exposure to interest rate risk for changes in interest rates relates primarily to the Group's bank balances and bank borrowings with floating interest rates. Management continuously monitors interest rate fluctuation and will consider further hedging interest rate risk should the need arise.

The Group's bank balances have exposure to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate on bank balances. Management considers the Group's exposure of the short-term bank deposits to interest rate risk is not significant as interest-bearing bank balances are within a short maturity period.

The sensitivity analysis below has been determined based on the exposure to interest rates for floating interest-bearing bank borrowings at the end of the reporting period assuming the stipulated changes had taken place at the beginning of the reporting period and were held constant throughout the reporting period.

# Notes to Financial Statements

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## 54. FAIR VALUE RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### Interest rate risk (Continued)

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate borrowings).

	Increase/ (decrease) in basis points	(Decrease)/increase in profit after tax		(Decrease)/increase in equity	
		2024	2023	2024	2023
		RMB'000	RMB'000	RMB'000	RMB'000
If interest rate increases	100	<b>(82,848)</b>	(45,218)	<b>(82,848)</b>	(45,218)
If interest rate decreases	(100)	<b>82,848</b>	45,218	<b>82,848</b>	45,218

### Foreign currency risk

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the USD, HKD and RMB exchange rates, with all other variables held constant, of the Group's profit after tax (arising from USD, HKD and RMB denominated financial instruments) and the Group's equity (due to changes in the fair value of forward currency contracts).

	Fluctuation in foreign exchange rate %	(Decrease)/increase in profit after tax		(Decrease)/increase in equity	
		2024	2023	2024	2023
		RMB'000	RMB'000	RMB'000	RMB'000
If RMB strengthens against USD	(5)	<b>(188,901)</b>	(291,393)	<b>(28,303)</b>	(202,265)
If RMB weakens against USD	5	<b>188,901</b>	291,393	<b>28,303</b>	202,265
If RMB strengthens against HKD	(5)	<b>(135,842)</b>	(2,826)	<b>(138,725)</b>	5,320
If RMB weakens against HKD	5	<b>135,842</b>	2,826	<b>138,725</b>	(5,320)

# Notes to Financial Statements

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## 54. FAIR VALUE RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

### Maximum exposure and year-end staging

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December.

The amounts presented are net carrying amounts for financial assets and the exposure to credit risk for the financial guarantee contracts.

### As at 31 December 2024

	12-month ECLs	Lifetime ECLs			
	Stage 1 RMB'000	Stage 2 RMB'000	Stage 3 RMB'000	Simplified approach RMB'000	Total RMB'000
Trade and bills receivables*	1,893,891	–	–	6,233,407	8,127,298
Factoring receivables	–	–	124,143	–	124,143
Financial assets included in prepayments, other receivables and other assets	9,838,722	92,475	231,287	–	10,162,484
Loans to related parties	3,348,105	–	–	–	3,348,105
Time deposits – Not yet past due	8,227,931	–	–	–	8,227,931
Restrict bank deposits – Not yet past due	16,840,998	–	–	–	16,840,998
Cash and cash equivalents – Not yet past due	15,502,833	–	–	–	15,502,833
<b>Total</b>	<b>55,652,480</b>	<b>92,475</b>	<b>355,430</b>	<b>6,233,407</b>	<b>62,333,792</b>



# Notes to Financial Statements

31 DECEMBER 2024

## 54. FAIR VALUE RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### Credit risk (Continued)

#### Maximum exposure and year-end staging (Continued)

As at 31 December 2023

	12-month ECLs	Lifetime ECLs			
	Stage 1 RMB'000	Stage 2 RMB'000	Stage 3 RMB'000	Simplified approach RMB'000	Total RMB'000
Trade and bills receivables*	2,220,464	–	–	3,971,109	6,191,573
Factoring receivables	–	–	258,986	–	258,986
Financial assets included in prepayments, other receivables and other assets	3,820,585	103,423	223,453	–	4,147,461
Loans to related parties	2,351,346	–	–	–	2,351,346
Time deposits – Not yet past due	3,401,029	–	–	–	3,401,029
Restrict bank deposits – Not yet past due	21,953,728	–	–	–	21,953,728
Cash and cash equivalents – Not yet past due	19,484,777	–	–	–	19,484,777
<b>Total</b>	<b>53,231,929</b>	<b>103,423</b>	<b>482,439</b>	<b>3,971,109</b>	<b>57,788,900</b>

\* For trade receivables to which the Group applies the simplified approach for impairment, information based on the individual basis and collective basis is disclosed in note 29 to the financial statements.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in note 29 to the financial statements.

# Notes to Financial Statements

31 DECEMBER 2024

## 54. FAIR VALUE RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade receivables) and projected cash flows from operations.

The Group's treasury department monitors the Group's cash flow positions on a regular basis to ensure the cash flows of the Group are positive and closely controlled. The Group aims to maintain flexibility in funding by keeping committed credit lines available, obtaining debentures from specific financial institutions and borrowing loans from banks.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

	31 December 2024			
	On demand and less than 12 months RMB'000	1 to 5 years RMB'000	More than 5 years RMB'000	Total RMB'000
Corporate bonds	2,087,920	3,641,371	—	5,729,291
Interest-bearing bank borrowings	48,747,119	15,306,648	—	64,053,767
Trade and bills payables	10,914,662	—	—	10,914,662
Financial liabilities in other payables and accruals	5,433,275	—	—	5,433,275
Deposits from related parties	10,074,862	121,495	—	10,196,357
Derivative financial instruments	636,915	—	—	636,915
Lease liabilities	188,291	212,121	—	400,412
Other liabilities	—	674,892	—	674,892
Total	78,083,044	19,956,527	—	98,039,571

# Notes to Financial Statements

31 DECEMBER 2024

## 54. FAIR VALUE RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### Liquidity risk (Continued)

	31 December 2023			
	On demand and less than 12 months <i>RMB'000</i>	1 to 5 years <i>RMB'000</i>	More than 5 years <i>RMB'000</i>	Total <i>RMB'000</i>
Corporate bonds	55,565	3,685,270	8,628,780	12,369,615
Interest-bearing bank borrowings	38,174,382	14,948,105	–	53,122,487
Trade and bills payables	14,973,229	–	–	14,973,229
Financial liabilities in other payables and accruals	4,847,442	–	–	4,847,442
Deposits from related parties	6,116,216	108,573	–	6,224,789
Derivative financial instruments	687,511	–	–	687,511
Lease liabilities	166,474	386,275	–	552,749
Other liabilities	–	1,121,158	–	1,121,158
<b>Total</b>	<b>65,020,819</b>	<b>20,249,381</b>	<b>8,628,780</b>	<b>93,898,980</b>

# Notes to Financial Statements

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## 54. FAIR VALUE RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### Equity price risk

Equity price risk is the risk that the fair values of equity securities decrease as a result of changes in the levels of equity indices and the value of individual securities. The Group is exposed to equity price risk arising from individual equity investments included in financial assets at fair value through profit or loss (note 25) and equity investments at fair value through other comprehensive income (note 25) as at 31 December 2024. The Group's listed investments are listed on the Shenzhen, Hong Kong, and Toronto stock exchanges and are valued at quoted market prices at the end of the reporting period.

The following table demonstrates the sensitivity to every 5% change in the fair values of the equity investments with all other variables held constant and after impact on tax, based on their carrying amounts at the end of the reporting period.

<b>31 December 2024</b>	<b>Carrying amount of equity investments RMB'000</b>	<b>Increase/ (decrease) in profit after tax RMB'000</b>	<b>Increase/ (decrease) in equity RMB'000</b>
Listed equity instruments at FVPL	<b>228,930</b>	<b>10,843</b>	<b>10,843</b>
<b>31 December 2023</b>	<b>Carrying amount of equity investments RMB'000</b>	<b>Increase/ (decrease) in profit after tax RMB'000</b>	<b>Increase/ (decrease) in equity RMB'000</b>
Listed equity instruments at FVPL	237,930	11,282	11,282
Listed equity instruments at FVOCI	7,465,526	–	373,276

# Notes to Financial Statements

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## 54. FAIR VALUE RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### Capital management

The Group's capital management objectives are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debts.

Total capital of the Group is the total equity in the consolidated financial position. The Group is not subject to any externally imposed capital requirements. The Group monitors capital using the debt-to-asset ratio, which is total liabilities divided by total assets.

The Group's debt-to-asset ratio as at the end of the reporting period was as follows:

	<b>31 December 2024 RMB'000</b>	31 December 2023 RMB'000
Total assets	<b>193,127,836</b>	168,150,906
Total liabilities	<b>105,325,779</b>	91,402,241
Debt-to-asset ratio	<b>55%</b>	54%

## 55. EVENTS AFTER THE REPORTING PERIOD

On 12 March 2025, Hong Kong Investment entered into a share purchase agreement with SolGold Canada Inc., pursuant to which Hong Kong Investment shall purchase 157,141,000 shares held by SolGold Canada Inc. in SolGold, a company listed on the London Stock Exchange and the Toronto Stock Exchange, with an aggregate transaction consideration of USD18,000,000. Prior to the transaction, the Group held 6.95% of the issued shares of SolGold. After the completion of the transaction, the Group holds 12.19% of the issued shares of SolGold.

# Notes to Financial Statements

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## 56. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	2024 RMB'000	2023 RMB'000
<b>Non-current assets</b>		
Property, plant and equipment	14,477,659	13,824,714
Investment properties	286,958	295,080
Right-of-use assets	2,208,072	2,374,702
Other intangible assets	1,336,640	1,346,366
Exploration and evaluation assets	385,550	484,610
Investments in subsidiaries	27,682,467	26,978,314
Investments in joint ventures	35,806	25,321
Investments in associates	3,787,265	3,620,275
Financial instruments other than derivatives	3,638,154	5,122,815
Prepayments, other receivables and other assets	6,861,701	3,942,741
Restricted bank deposits	—	3,173,439
Time deposits	4,285,359	1,264,374
Deferred tax assets	574,929	424,792
<b>Total non-current assets</b>	<b>65,560,560</b>	<b>62,877,543</b>
<b>Current assets</b>		
Inventories	13,321,435	12,018,178
Trade and bills receivables	1,121,278	1,055,235
Prepayments, other receivables and other assets	1,386,912	1,190,605
Derivative financial instruments	275,417	—
Prepaid land lease payments	807,077	—
Time deposits	1,868,328	1,166,367
Restricted bank deposits	3,336,500	3,336,500
Cash and cash equivalents	6,213,714	9,322,125
<b>Total current assets</b>	<b>28,330,661</b>	<b>28,089,010</b>
<b>Total assets</b>	<b>93,891,221</b>	<b>90,966,553</b>

# Notes to Financial Statements

31 DECEMBER 2024

## 56. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
<b>Current liabilities</b>		
Trade and bills payables	1,654,223	1,739,828
Other payables and accruals	4,113,864	5,420,617
Derivative financial instruments	4,173	316,274
Deferred revenue	30,200	28,820
Interest-bearing bank borrowings	9,399,780	8,806,273
Lease liabilities	166,535	159,784
Corporate bonds	2,018,033	17,664
Tax payable	670,529	670,529
<b>Total current liabilities</b>	<b>18,057,337</b>	<b>17,159,789</b>
<b>Net current assets</b>	<b>10,273,324</b>	<b>10,929,221</b>
<b>Total assets less current liabilities</b>	<b>75,833,884</b>	<b>73,806,764</b>

# Notes to Financial Statements

31 DECEMBER 2024

## 56. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

	2024 RMB'000	2023 RMB'000
<b>Non-current liabilities</b>		
Interest-bearing bank borrowings	8,306,132	8,412,549
Lease liabilities	174,093	340,108
Corporate bonds	—	2,000,000
Provision for rehabilitation	222,782	214,331
Employee benefit liabilities	290	290
Deferred revenue	159,408	159,929
Other non-current liabilities	111,035	213,626
<b>Total non-current liabilities</b>	<b>8,973,740</b>	<b>11,340,833</b>
<b>Net assets</b>	<b>66,860,144</b>	<b>62,465,931</b>
<b>Equity</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	3,462,729	3,462,729
Treasury shares	(258,749)	—
Reserves	63,656,164	59,003,202
<b>Total equity</b>	<b>66,860,144</b>	<b>62,465,931</b>



# Notes to Financial Statements

31 DECEMBER 2024

## 56. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

A summary of the Company's reserves is as follows:

	Other reserve <i>RMB'000</i>	Statutory surplus reserve <i>RMB'000</i>	Discretionary surplus reserve <i>RMB'000</i>	Safety fund surplus reserve <i>RMB'000</i>	Retained profits <i>RMB'000</i>	Total <i>RMB'000</i>
As at 1 January 2023	12,897,080	6,220,722	9,644,881	196,898	27,936,609	56,896,190
Total comprehensive income for the year	109,983	–	–	–	3,728,394	3,838,377
Dividend declared	–	–	–	–	(1,731,365)	(1,731,365)
Transfer between categories	–	–	–	210,032	(210,032)	–
At 31 December 2023	13,007,063	6,220,722	9,644,881	406,930	29,723,606	59,003,202
Total comprehensive income for the year	24,542	–	–	–	6,699,793	6,724,335
Dividend declared	–	–	–	–	(2,071,373)	(2,071,373)
Transfer between categories	–	–	–	(40,191)	40,191	–
At 31 December 2024	13,031,605	6,220,722	9,644,881	366,739	34,392,217	63,656,164

## 57. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 27 March 2025.

## Financial Summary

	2024 RMB'000	2023 RMB'000	2022 RMB'000	2021 RMB'000	2020 RMB'000
REVENUE	<b>519,248,233</b>	520,338,500	478,392,849	441,614,438	317,756,486
Cost of sales	<b>(503,202,804)</b>	(508,322,152)	(466,336,463)	(425,422,857)	(307,687,117)
Gross profit	<b>16,045,429</b>	12,016,348	12,056,386	16,191,581	10,069,369
Other income, Other gains and losses	<b>1,030,402</b>	3,046,877	1,921,443	(2,035,951)	(707,074)
Selling and distribution costs	<b>(411,397)</b>	(358,092)	(439,246)	(367,464)	(269,427)
Administrative expenses	<b>(4,250,973)</b>	(3,826,292)	(3,572,932)	(3,714,620)	(2,726,043)
Impairment losses on financial assets, net	<b>(294,199)</b>	(10,209)	(284,586)	(480,019)	(1,264,064)
Finance costs	<b>(2,517,793)</b>	(2,323,801)	(1,967,157)	(2,018,808)	(1,950,099)
Share of profits and losses of:					
Joint ventures	<b>14,585</b>	(10,325)	(30,336)	(15,272)	(17,600)
Associates	<b>(576,651)</b>	97,964	(185,014)	(142,559)	117,009
PROFIT BEFORE TAX	<b>9,039,403</b>	8,632,470	7,498,558	7,416,888	3,252,071
Income tax	<b>(1,685,679)</b>	(1,404,318)	(1,403,004)	(1,387,449)	(892,594)
PROFIT FOR THE YEAR	<b>7,353,724</b>	7,228,152	6,095,554	6,029,439	2,359,477
Attributable to:					
Owners of the Company	<b>6,900,987</b>	6,745,839	6,001,476	5,772,525	2,227,704
Non-controlling interests	<b>452,737</b>	482,313	94,078	256,914	131,773
	<b>7,353,724</b>	7,228,152	6,095,554	6,029,439	2,359,477
Total assets	<b>193,127,836</b>	168,150,906	167,330,540	161,034,643	140,881,553
Total liabilities	<b>(105,325,779)</b>	(91,402,241)	(85,380,383)	(83,224,717)	(74,022,249)
Non-controlling interests	<b>(9,856,628)</b>	(9,326,617)	(8,431,507)	(8,011,074)	(6,948,911)
Equity attributable to owners of the parent	<b>(77,945,429)</b>	(67,422,048)	(73,518,650)	(69,798,852)	(59,910,393)



**Jiangxi Copper Company Limited**