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ZHAOJIN

ZHAOJIN MINING INDUSTRY COMPANY LIMITED*

招金礦業股份有限公司

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

(Stock Code: 1818)

THIRD QUARTERLY REPORT OF 2019

This announcement is made pursuant to Rules 13.09(2) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, the Laws of Hong Kong).

On 7 July 2015, Zhaojin Mining Industry Company Limited (the “**Company**”) issued the second tranche of medium-term notes for 2015. Details of the relevant documents relating to the issuance of medium-term notes have been published on the websites of ChinaMoney (<http://www.chinamoney.com.cn>) and Shanghai Clearing House (<http://www.shclearing.com>).

Pursuant to the relevant regulations in the People’s Republic of China (the “**PRC**”), the Company’s unaudited quarterly financial results shall be published on the websites of ChinaMoney (<http://www.chinamoney.com.cn>) and Shanghai Clearing House (<http://www.shclearing.com>) during the subsistence period of the medium-term notes.

The following is the unaudited third quarterly consolidated financial information of the Company and its subsidiaries (the “**Group**”) for the nine months ended 30 September 2019 prepared in accordance with PRC GAAP, which is also published on the websites of ChinaMoney (<http://www.chinamoney.com.cn>) and Shanghai Clearing House (<http://www.shclearing.com>).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION*Zhaojin Mining Industry Company Limited (Consolidated)*

Unit: RMB Yuan

Assets	31 December 2018	30 September 2019
Current Assets:		
Cash and cash equivalents	1,496,054,694.17	3,538,401,837.62
Held for trading financial assets	598,007,189.02	628,823,434.51
Notes receivables	40,288,038.83	18,117,721.97
Trade receivables	105,208,651.42	167,757,344.90
Advance to customers	246,866,391.23	426,982,807.99
Interest receivable	29,078,584.39	29,464,425.68
Dividend receivable	11,940,675.71	4,838,179.22
Other receivables	245,885,969.80	475,720,993.25
Inventories	4,190,555,895.25	4,571,800,751.86
Current portion of non-current assets		
Other current assets	2,022,441,455.98	3,163,749,770.22
Total current assets	8,986,327,545.80	13,025,657,267.22
Non-current Assets:		
Available-for-sale financial assets		
Held-to-maturity investments	241,753,133.84	401,372,364.41
Long-term receivables		
Long-term equity investments	850,540,158.82	954,740,297.95
Investments in real estates		
Fixed assets	11,214,344,095.58	10,784,810,276.09
Construction in progress	3,015,123,269.80	3,908,886,063.20
Project goods and material		
Disposal of fixed assets		450,658.41
Productive biological assets		
Oil and gas assets		
Intangible assets	8,635,508,337.01	9,409,741,934.82
Development expenditure		
Goodwill	623,347,692.38	623,347,692.38
Long-term prepaid expenses	23,224,148.35	21,215,151.04
Deferred tax assets	147,827,370.14	146,969,826.37
Other long-term assets	2,044,075,030.45	1,729,515,642.88
Total non-current assets	26,795,743,236.36	27,981,049,907.55
TOTAL ASSETS	35,782,070,782.16	41,006,707,174.77

**LIABILITIES AND OWNERS' EQUITY
(OR SHAREHOLDERS' EQUITY)**

31 December 2018 30 September 2019

Current Liabilities:

Short-term borrowings	7,237,549,057.33	5,695,826,348.10
Held for trading financial liabilities		
Notes payables	156,629,739.81	40,719,949.81
Trade payables	367,884,530.67	336,811,807.61
Advance from customers	102,828,948.49	423,282,740.87
Payroll payables	91,056,670.05	127,050,587.77
Tax payables	138,950,967.03	-137,578.68
Interest payables	196,284,814.87	205,209,207.05
Dividend payables	113,565,287.09	95,305,287.09
Other payables	1,143,595,936.43	1,652,646,633.84
Current portion of long-term liabilities	125,708,182.00	125,000,000.00
Other current liabilities	2,129,545,167.80	1,860,728,271.38
Total current liabilities	11,803,599,301.57	10,562,443,254.84

Non-current Liabilities:

Long-term borrowings	236,630,140.00	141,060,140.00
Bonds payable	6,098,697,048.77	12,112,850,176.04
Long-term payables	30,432,000.00	30,432,000.00
Special payable	305,238,423.72	265,735,480.22
Estimated liabilities	32,509,095.65	22,545,484.92
Deferred tax liabilities	319,781,548.11	348,388,607.88
Other long-term liabilities	210,518,469.49	210,518,469.49
Total non-current liabilities	7,233,806,725.74	13,131,530,358.55
Total liabilities	19,037,406,027.32	23,693,973,613.39

Owners' Equity (or Shareholders' Equity):

Issued capital	3,220,696,195.00	3,220,696,195.00
Capital reserve	2,615,858,780.81	2,615,858,780.81
Less: treasury stock		
Surplus reserve	1,055,027,937.87	1,046,975,274.33
Accumulated profit	3,688,490,261.80	3,876,527,617.76
Translation differences	-9,095,632.76	58,902,892.18
Other equity instruments	2,664,599,589.04	2,667,568,159.67
Total owners' equity attributable to the parent	13,235,577,131.76	13,486,528,919.75
Non-controlling interests	3,509,087,623.09	3,826,204,641.63
Total owners' equity	16,744,664,754.84	17,312,733,561.38
TOTAL LIABILITIES AND OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY)	35,782,070,782.16	41,006,707,174.77

STATEMENT OF FINANCIAL POSITION*Zhaojin Mining Industry Company Limited*

Unit: RMB Yuan

Assets	31 December 2018	30 September 2019
Current Assets:		
Cash and cash equivalents	608,077,766.12	787,535,021.52
Held for trading financial assets	41,735,543.00	49,070,001.01
Notes receivables	20,000,000.00	
Trade receivables	16,597,347.97	65,830,834.22
Advance to customers	25,816,741.68	173,729,041.93
Interest receivable	1,143,020,246.60	1,125,811,817.02
Dividend receivable	215,297,097.38	208,194,600.89
Other receivables	2,173,306,539.02	1,481,978,273.76
Inventories	2,239,855,463.61	2,629,193,130.57
Current portion of non-current assets		
Other current assets	5,490,095,525.94	6,553,679,370.77
Total current assets	11,973,802,271.32	13,075,022,091.69
Non-current Assets:		
Available-for-sale financial assets		
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	8,293,722,702.09	9,181,567,141.95
Investments in real estates		
Fixed assets	4,896,204,012.30	4,696,206,621.89
Construction in progress	1,155,443,796.64	1,568,619,788.63
Project goods and material		
Disposal of fixed assets		121,172.00
Productive biological assets		
Oil and gas assets		
Intangible assets	1,172,051,989.04	1,171,130,625.11
Development expenditure		
Goodwill	84,335,610.38	84,335,610.38
Long-term prepaid expenses	11,846,688.96	8,747,928.54
Deferred tax assets	47,782,214.12	47,782,214.12
Other long-term assets	1,632,965,812.91	1,632,965,812.91
Total non-current assets	17,294,352,826.44	18,391,476,915.53
TOTAL ASSETS	29,268,155,097.76	31,466,499,007.22

**LIABILITIES AND OWNERS' EQUITY
(OR SHAREHOLDERS' EQUITY)**

31 December 2018 30 September 2019

Current Liabilities:

Short-term borrowings	6,763,931,577.33	4,890,986,000.00
Held for trading financial liabilities		
Notes payables		260,000,000.00
Trade payables	123,985,045.29	106,436,586.94
Advance from customers	2,584,196.08	1,558,830.36
Payroll payables	35,100,024.06	61,047,610.12
Tax payables	19,227,708.82	-48,111,552.80
Interest payables	173,865,665.95	134,248,493.33
Dividend payables		
Other payables	731,311,504.19	1,258,454,884.06
Current portion of long-term liabilities	708,182.00	
Other current liabilities	698,817,883.50	
Total current liabilities	8,549,531,787.22	6,664,620,852.01

Non-current Liabilities:

Long-term borrowings	490,140.00	490,140.00
Bonds payable	6,098,697,048.77	10,002,282,077.54
Long-term payables	18,043,000.00	18,043,000.00
Special payable	186,770,804.63	157,381,510.75
Estimated liabilities	7,805,675.82	714,833.87
Deferred tax liabilities	101,669,567.81	101,669,567.81
Other long-term liabilities	26,243,337.25	26,243,337.25
Total non-current liabilities	6,439,719,574.28	10,306,824,467.22
Total liabilities	14,989,251,361.50	16,971,445,319.23

Owners' Equity (or Shareholders' Equity):

Issued capital	3,220,696,195.00	3,220,696,195.00
Capital reserve	2,706,572,596.58	2,706,572,596.58
Less: treasury stock		
Surplus reserve	1,029,307,538.98	1,021,254,875.74
Accumulated profit	4,657,727,816.66	4,878,961,861.00
Translation differences		
Other equity instruments	2,664,599,589.04	2,667,568,159.67
Total owners' equity attributable to the parent	14,278,903,736.26	14,495,053,687.99
Non-controlling interests		
Total owners' equity	14,278,903,736.26	14,495,053,687.99
TOTAL LIABILITIES AND OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY)	29,268,155,097.76	31,466,499,007.22

CONSOLIDATED INCOME STATEMENT*Zhaojin Mining Industry Company Limited (Consolidated)*

Unit: RMB Yuan

Items	Jan-Sep 2019 Accumulated Amount	Jan-Sep 2018 Accumulated Amount
(1) Revenue	4,634,173,561.65	4,559,420,664.89
Less: Cost of sales	2,829,420,132.12	2,788,683,984.70
Taxes and surcharges	149,716,725.90	141,960,842.05
Impairment losses	-7,653,609.63	2,023,177.32
Selling expenses	43,957,996.70	38,458,091.22
General and administrative expenses	661,252,474.85	592,831,032.24
Finance expenses	553,271,990.81	419,664,222.96
Add: Fair value change gain (loss “-”)	-24,012,933.48	-8,148,260.14
Investment gain (loss “-”)	25,844,844.79	31,112,733.69
Including: Investment income from joint ventures and associates		
Income from asset disposal	-463,062.27	
Other income	34,463,304.61	
(2) Operating income	440,040,004.55	598,763,787.95
Non-operating income	19,614,236.16	53,852,567.83
Non-operating expense	15,400,538.79	15,999,357.98
Including: Loss from disposal of non-current assets	2,908,325.14	8,967,219.30
(3) Total income	444,253,701.92	636,616,997.80
Less: Income tax expenses	82,725,995.52	139,425,407.19
(4) Net profit	361,527,706.40	497,191,590.61
Net profit attributable to owners’ equity of the parent	316,865,203.76	355,554,190.69
Minority interests	44,662,502.64	141,637,399.92
(5) Earning per share		
(i) Basic earnings per share	0.10	0.11
(ii) Diluted earnings per share		

INCOME STATEMENT*Zhaojin Mining Industry Company Limited*

Unit: RMB Yuan

Items	Jan-Sep 2019 Accumulated Amount	Jan-Sep 2018 Accumulated Amount
(1) Revenue	2,324,568,484.20	2,096,323,369.43
Less: Cost of sales	1,182,226,624.09	1,227,369,853.13
Taxes and surcharges	100,334,527.83	80,118,003.86
Impairment losses	-476,331.12	-5,132,389.82
Selling expenses	12,912,125.68	14,308,999.53
General and administrative expenses	239,901,696.01	230,379,843.77
Finance expenses	552,813,788.40	451,450,644.67
Add: Fair value change gain (loss “-”)	-83,536,338.55	-17,785,095.34
Investment gain (loss “-”)	197,397,499.59	341,238,853.95
Including: Investment income from joint ventrues and associates		
Income from asset disposal	-513,848.89	
Other income	30,679,293.88	
(2) Operating income	380,882,659.34	421,282,172.90
Non-operating income	1,057,592.67	34,107,965.96
Non-operating expense	3,021,542.58	2,894,602.06
Including: Loss from disposal of non-current assets	1,104,538.16	3,900,369.00
(3) Total income	378,918,709.43	452,495,536.80
Less: Income tax expenses	28,856,817.29	38,587,262.16
(4) Net profit	350,061,892.14	413,908,274.64
Net profit attributable to owners’ equity of the parent	350,061,892.14	413,908,274.64
Minority interests		
(5) Earning per share		
(i) Basic earnings per share	0.11	0.13
(ii) Diluted earnings per share		

CONSOLIDATED STATEMENT OF CASH FLOW
Zhaojin Mining Industry Company Limited (Consolidated)

Unit: RMB Yuan

Items	Jan-Sep 2019 Accumulated Amount
(1) NET CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from sale of goods or rendering of services	4,914,248,977.41
Refunds of taxes	
Cash received relating to other operating activities	2,057,669,370.64
Sub-total of cash inflows	6,971,918,348.05
Cash paid for purchase of goods and acceptance of services	3,010,664,988.73
Cash paid to and on behalf of employees	718,385,485.05
Cash paid for all types of taxes	407,653,958.95
Cash paid relating to other operating activities	2,037,687,306.07
Sub-total of cash outflows	6,174,391,738.80
NET CASH FLOWS FROM OPERATING ACTIVITIES	797,526,609.25
(2) NET CASH FLOWS FROM INVESTING ACTIVITIES	
Cash received from sales of investments	108,505,129.22
Cash received from return on investments	25,844,844.79
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	
Cash received from disposal of subsidiaries and other units	
Cash received relating to other investing activities	5,216,500.00
Sub-total of cash inflows	139,566,474.01
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	1,317,615,075.47
Cash paid for investments	356,878,936.08
Cash received from acquisition of subsidiaries and other units	
Cash paid relating to other investing activities	401,755,825.26
Sub-total of cash outflows	2,076,249,836.81
NET CASH FLOWS FROM INVESTING ACTIVITIES	-1,936,683,362.80
(3) CASH FLOWS FROM FINANCING ACTIVITIES	
Cash received from capital contributions	
Cash received from borrowings	16,814,632,369.01
Cash received relating to other financing activities	
Sub-total of cash inflows	16,814,632,369.01
Cash payments of loan	12,906,550,443.01
Cash payments of dividend, profit or interest on borrowings	718,926,029.00
Cash paid relating to other financing activities	5,450,000.00
Sub-total of cash outflows	13,630,926,472.01
NET CASH FLOWS FROM FINANCING ACTIVITIES	3,183,705,897.00
(4) EFFECT OF CHANGES OF EXCHANGE RATE ON CASH	-2,202,000.00
(5) NET INCREASE IN CASH AND CASH EQUIVALENTS	2,042,347,143.45

STATEMENT OF CASH FLOWS*Zhaojin Mining Industry Company Limited*

Unit: RMB Yuan

Items	Jan-Sep 2019 Accumulated Amount
(1) NET CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from sale of goods or rendering of services	2,587,649,411.30
Refunds of taxes	
Cash received relating to other operating activities	53,712,795.92
Sub-total of cash inflows	2,641,362,207.22
Cash paid for purchase of goods and acceptance of services	1,313,623,698.01
Cash paid to and on behalf of employees	384,011,687.41
Cash paid for all types of taxes	207,399,385.79
Cash paid relating to other operating activities	299,106,768.48
Sub-total of cash outflows	2,204,141,539.69
NET CASH FLOWS FROM OPERATING ACTIVITIES	437,220,667.53
(2) NET CASH FLOWS FROM INVESTING ACTIVITIES	
Cash received from sales of investments	100,605,129.22
Cash received from return on investments	197,397,499.59
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	
Cash received from disposal of subsidiaries and other units	
Cash received relating to other investing activities	2,039,760,000.00
Sub-total of cash inflows	2,337,762,628.81
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	511,331,615.71
Cash paid for investments	178,413,936.08
Cash received from acquisition of subsidiaries and other units	
Cash paid relating to other investing activities	2,529,892,139.63
Sub-total of cash outflows	3,219,637,691.42
NET CASH FLOWS FROM INVESTING ACTIVITIES	-881,875,062.61
(3) NET CASH FLOWS FROM FINANCING ACTIVITIES	
Cash received from capital contributions	
Cash received from borrowings	14,250,803,741.40
Cash received relating to other financing activities	
Sub-total of cash inflows	14,250,803,741.40
Cash payments of loan	12,919,690,355.46
Cash payments of dividend, profit or interest on borrowings	705,951,735.46
Cash paid relating to other financing activities	1,050,000.00
Sub-total of cash outflows	13,626,692,090.92
NET CASH FLOWS FROM FINANCING ACTIVITIES	624,111,650.48
(4) EFFECT OF CHANGES OF EXCHANGE RATE ON CASH	
(5) NET INCREASE IN CASH AND CASH EQUIVALENTS	179,457,255.40

The financial information set forth in this announcement is prepared in accordance with PRC GAAP and unaudited. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

Announcement is hereby given.

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

Zhaoyuan, the PRC, 16 October 2019

As at the date of this announcement, the Board comprises Mr. Weng Zhanbin, Mr. Dong Xin and Mr. Wang Ligang as executive directors; Mr. Xu Xiaoliang, Mr. Liu Yongsheng, Mr. Gao Min and Mr. Huang Zhen as non-executive directors; and Ms. Chen Jinrong, Mr. Choy Sze Chung Jojo, Mr. Wei Junhao and Mr. Shen Shifu as independent non-executive directors.

* *For identification purpose only*