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**Zijin Mining Group Co., Ltd.\***

**紫金礦業集團股份有限公司**

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

**(Stock code: 2899)**

## **Announcement in relation to Results of the Grant under the Restricted A Share Incentive Scheme for 2020**

### **Important notes:**

- Registration date of the Restricted A Shares: 28 January 2021.
- Number of Restricted A Shares granted: 95,980,600.

References are made to (i) the Announcement in relation to Proposed Adoption of the Restricted A Share Incentive Scheme and the Connected Transaction of Grant of Restricted A Shares to the Connected Participants under the Incentive Scheme dated 17 November 2020; (ii) the Announcement in relation to Amendment to the Restricted A Share Incentive Scheme for 2020 (Draft) and Its Summary dated 11 December 2020; (iii) the announcements in relation to the poll results of the relevant resolutions in respect of the approval of the Restricted A Share Incentive Scheme at the extraordinary general meeting and the class meetings dated 29 December 2020 and 11 January 2021 and (iv) the Announcement in relation to the Grant of Restricted A Shares to the Participants of the Incentive Scheme dated 13 January 2021 (the "Announcements"); and (v) the circular dated 11 December 2020 (the "Circular") of Zijin Mining Group Co., Ltd.\* (the "Company"). Unless otherwise indicated, capitalised terms used in this announcement shall have the same meanings as defined in the Announcements and the Circular.

Pursuant to the stipulations of the relevant regulations of the Measures for the Administration of Equity Incentives of Listed Companies issued by the China Securities Regulatory Commission, the Shanghai Stock Exchange, China Securities Depository and Clearing Company Limited Shanghai Branch and the Restricted A Share Incentive Scheme for 2020 (Revised Draft) of Zijin Mining Group Co., Ltd.\*, the Company has completed the registration of the Restricted A Shares issued under the First Grant of the restricted A Share incentive scheme for 2020 (the "Incentive Scheme"). Details are set out below:

### **I. Details of the grant under the Incentive Scheme**

On 13 January 2021, the Company convened the first extraordinary meeting in 2021 of the Board of the seventh term, at which the Proposal in relation to the Grant of Restricted A Shares to the Participants under the First Grant was considered and approved. The independent Directors issued their independent opinion for the relevant matters. On 13 January 2021, the Company convened the first extraordinary meeting in 2021 of the Supervisory Committee of the seventh term, at which the Proposal in relation to the Grant of

Restricted A Shares to the Participants under the First Grant was considered and approved. The Supervisory Committee reviewed the granting arrangement under the Incentive Scheme and issued its verification opinion.

Details of the grant under the Incentive Scheme of the Company:

1. Grant Date: 13 January 2021;
2. Number of Restricted A Shares granted: 95,980,600;
3. Number of Participants whom have been granted the Restricted A Shares: 686;
4. Grant Price: RMB4.95 per A Share;
5. Source of the Restricted A Shares: the ordinary shares (A Shares) denominated in Renminbi issued specifically by the Company to the Participants.
6. List of the Participants and allocation of the Restricted A Shares:

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

7. Explanation on the difference between the actual and proposed numbers of A Shares granted

In the process of execution of the granting agreements and payment of proceeds following the determination of the Grant Date, 11 and 2 Participants, due to personal reasons, voluntarily gave up the entire portion and certain portion of the Restricted A Shares allocated to them respectively, which involved a total of 1,509,400 Restricted A Shares which were proposed to be granted by the Company to such

Participants. After the adjustment, the number of the Participants was adjusted from 697 to 686 and the number of Restricted A Shares proposed to be granted by the Company was adjusted from 97,490,000 to 95,980,600.

**II. Validity period, Lock-Up Periods and unlocking arrangement of the Incentive Scheme**

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

The Lock-up Period of the Restricted Shares granted under the First Grant of the Incentive Scheme shall be 24 months from the completion date of registration of the Restricted Shares under the First Grant. The Lock-up Period of the Reserved Shares under the Incentive Scheme shall be 24 months from the completion date of registration of the Reserved Shares. The Restricted Shares granted to the Participants under the Incentive Scheme shall not be transferred, pledged or used for repayment of debt during the Lock-up Periods.

The Unlocking Periods of the Restricted Shares granted under the First Grant and the reserved grant of the Incentive Scheme and the arrangement for each Unlocking Period are set out in the table below:

<b>Phase of unlocking</b>	<b>Unlocking Period</b>	<b>Percentage of Restricted Shares to be unlocked</b>
The First Unlocking Period for the Restricted Shares granted under the First Grant and the reserved grant	Commencing from the first trading day after the expiry of the 24-month period from the date of completion of registration of the Restricted Shares being granted respectively and ending on the last trading day of the 36-month period from the date of completion of registration of the Restricted Shares being granted respectively	33%
The Second Unlocking Period for the Restricted Shares granted under the First Grant and the reserved grant	Commencing from the first trading day after the expiry of the 36-month period from the date of completion of registration of the Restricted Shares being granted respectively and ending on the last trading day of the 48-month period from the date of completion of registration of the Restricted Shares being granted respectively	33%
The Third Unlocking Period for the Restricted Shares granted under the First Grant and the reserved grant	Commencing from the first trading day after the expiry of the 48-month period from the date of completion of registration of the Restricted Shares being granted respectively and ending on the last trading day of the 60-month period from the date of completion of registration of the Restricted Shares being granted respectively	34%

**III. Verification of the proceeds of the Restricted A Shares**

Grant Thornton Certified Public Accountants LLP verified the Company’s newly registered capital up to 18

January 2021 and its share capital on 18 January 2021 and issued the Capital Verification Report of Zijin Mining Group Co., Ltd.\* (Zhi Tong Yan Zi [2021] No. 351ZC00010) on 21 January 2021. As at 18 January 2021, the Company received the proceeds from 686 Participants totalling RMB475,103,970. After deduction of issuance expenses paid to intermediaries of RMB200,000, the net proceeds actually received was RMB474,903,970, among which, the newly registered share capital was RMB9,598,060 and the remaining amount of RMB465,305,910 was transferred into capital reserve. The Company's registered capital and share capital before the capital increment was RMB2,537,725,994.60 and RMB2,537,725,994.60 respectively. As at 18 January 2021, the accumulated registered capital and share capital after the change was RMB2,547,324,054.60 and 2,547,324,054.60 respectively.

#### **IV. Registration of the Restricted A Shares**

The total number of the Restricted A Shares granted under the First Grant was 95,980,600. The Company completed the registration of shares at China Securities Depository and Clearing Company Limited Shanghai Branch on 28 January 2021, and received the Change of Securities Registration Certificate issued by the China Securities Depository and Clearing Company Limited Shanghai Branch on 29 January 2021.

#### **V. Impact on the Company's substantial shareholder before and after the grant of the Restricted A Shares**

The shareholding proportion of Minxi Xinghang State-owned Assets Investment Company Limited, the substantial shareholder of the Company before and after the grant was approximately 23.97% and 23.88% respectively. The grant of the Restricted A Shares will not lead to change in the right of control of the Company.

#### **VI. Change of share capital structure**

The Company's share capital structure before and after the First Grant of the Incentive Scheme is set out below:

Category	Before the change		Change (+, -)		After the change	
	Number of Shares	Proportion	Increase (Shares)	Decrease (Shares)	Number of Shares	Proportion
Shares subject to trading moratorium	-	-	95,980,600	-	95,980,600	0.38%
Shares not subject to trading moratorium	25,377,259,946	100%	-	-	25,377,259,946	99.62%
<b>Total</b>	25,377,259,946	100%	95,980,600	-	25,473,240,546	100.00%

#### **VII. Use of proceeds raised from the Issuance**

The net proceeds raised from the Company's issuance of ordinary shares denominated in Renminbi (A Shares) to the Participants pursuant to the Incentive Scheme will be entirely used for supplementing working capital.

#### **VIII. Impact of granting the newly issued A Shares on the Company's financial statements**

In accordance with the provisions of the Accounting Standard for Business Enterprises No. 11 -

Share-based Payments and the provisions regarding fair value measurement in the Accounting Standard for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments, the grant of Restricted A Shares under the Incentive Scheme by the Company will cause certain impact on the Company's financial positions and operating results for the relevant financial years. The Board has determined the Grant Date to be 13 January 2021. The incentive expenses will be recognised at the fair value of the Restricted A Shares on the Grant Date. Upon projection and calculation, the amount of future incentive expenses arising from the Restricted A Shares is RMB549,968,838. Accordingly, amortisation of the incentive expenses arising from the Restricted A Shares for 2021 to 2024 is set out below:

<b>Number of Restricted Shares granted under the First Grant (Million Shares)</b>	<b>Total amortisation expense (RMB million)</b>	<b>2021 (RMB million)</b>	<b>2022 (RMB million)</b>	<b>2023 (RMB million)</b>	<b>2024 (RMB million)</b>
95.9806	549.968838	197.988782	197.988782	107.243923	46.747351

Note: The above figures are only from an initial estimation of the incentive expenses arising from the First Grant of the Incentive Scheme. The final amounts are subject to those disclosed in the audited annual reports issued by the accounting firm.

**This announcement is written in both Chinese and English. In the case of any discrepancies, the Chinese version shall prevail over its English version.**

**Investors and shareholders are advised by the Board to exercise caution when dealing in the securities of the Company.**

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

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

1 February 2021, Fujian, the PRC

*\*The Company's English name is for identification purpose only*