

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



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

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

(Stock Code: 0358)

**ANNOUNCEMENT OF RESULTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**IMPORTANT NOTICE**

- 1.1 The board of directors (the “**Board**”), the supervisory committee (the “**Supervisory Committee**”), directors (the “**Directors**”), supervisors (the “**Supervisors**”) and senior management of Jiangxi Copper Company Limited (the “**Company**”) warrant the truthfulness, accuracy and completeness of the information contained in this announcement and there are no false representations, misleading statements contained herein or material omissions from this announcement, and jointly and severally accept full legal responsibility.
- 1.2 All Directors attended the Board meeting in relation to, among others, the approval of results for the year ended 31 December 2021.
- 1.3 The consolidated financial statements of the Company and its subsidiaries (the “**Group**”) for the year ended 31 December 2021 (the “**Reporting Period**”) prepared in accordance with PRC Accounting Standards for Business Enterprises (“**PRC GAAP**”) and International Financial Reporting Standards (“**IFRSs**”) have been audited by Ernst & Young Hua Ming LLP (domestic auditor) and Ernst & Young (overseas auditor) respectively with standard unqualified audit report issued.

- 1.4 The person in charge of the Company, Mr. Zheng Gaoqing, the person in charge of accounting, Mr. Yu Tong, and Manager of Finance Department (accounting chief), Mr. Bao Xiaoming, hereby warrant the truthfulness, accuracy and completeness of the financial report as set out in the annual report.
- 1.5 The Board has recommended distributing to all shareholders of the Company (the “**Shareholders**”) a final dividend of RMB0.50 per share (inclusive of tax) for 2021. The Board did not recommend transfer of capital reserve to share capital or issue of bonus shares.
- 1.6 The audit committee of the Company has reviewed the financial report for the year ended 31 December 2021.
- 1.7 This announcement contains forward-looking statements that involve future plans and development strategies which do not constitute a commitment by the Company to its investors. Investors should be aware of the investment risks.
- 1.8 There is no misappropriation of funds by the controlling shareholders and their connected parties for non-operation purpose in the Group.
- 1.9 There are no external guarantees made in violation of the required decision-making procedures in the Group.
- 1.10 The Company has described the existing industry risks in details in this results announcement. Please refer to “4. Report of the Board – VI. Discussion and analysis by the Company concerning the future development of the Company - (V) Potential risks”.

## 2 CORPORATE INFORMATION

### 2.1 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

## 2.2 Contact persons and contact methods

	Secretary to the Board	Securities Affairs Representative
Name	Tu Dongyang	Lu Gaoming
Address	7666 Chang Dong Avenue, High-tech Development Zone, Nanchang, Jiangxi Province, the People's Republic of China	7666 Chang Dong Avenue, High-tech Development Zone, Nanchang, Jiangxi Province, the People's Republic of China
Telephone	(86)791-82710117	(86)791-82710112
Facsimile	(86)791-82710114	(86)791-82710114
E-mail	jccl@jxcc.com	jccl@jxcc.com

## 2.3 Basic information

Registered address of the Company	15 Yejin Avenue, Guixi City, Jiangxi Province, the People's Republic of China
Historical change of 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

## 2.4 Information disclosure and place of inspection

Media name and website for disclosure of annual report	Shanghai Securities News, <a href="http://www.cnstock.com">www.cnstock.com</a>
Website of the stock exchange where the Company discloses its annual report	<a href="http://www.sse.com.cn">www.sse.com.cn</a>
Place for inspection of annual report	7666 Changdong Avenue, High-tech Development Zone, Nanchang, Jiangxi Province, the People's Republic of China

### 3 SUMMARY OF ACCOUNTING DATA AND FINANCIAL INDICATORS IN THE LAST THREE YEARS

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

*Unit: Yuan Currency: RMB*

Major accounting information	2021	2020	Increase/decrease for the period over the same period last year (%)	2019
Revenue	442,767,670,161	318,563,174,838	38.99	240,360,335,134
Net profit attributable to shareholders of the Company	5,635,567,528	2,320,394,755	142.87	2,466,407,085
Net profit after non-recurring profit and loss items attributable to shareholders of the Company	7,094,451,239	2,774,288,564	155.72	2,228,726,884
Net cash flows from operating activities	9,031,634,346	1,381,996,439	553.52	8,252,296,414
	End of 2021	End of 2020	Increase/decrease at the end of the period over the end of the same period last year (%)	End of 2019
Net assets attributable to shareholders of the Company	69,798,852,884	59,910,393,466	16.51	52,745,619,575
Total assets	161,034,644,301	140,881,552,897	14.30	134,913,915,434

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

*Currency: RMB*

Major financial indicator	2021	2020	Increase/decrease for the period over the same period last year (%)	2019
Basic earnings per share (RMB/share)	1.63	0.67	142.87	0.71
Diluted earnings per share (RMB/share)				
Basic earnings per share after non-recurring profit and loss items (RMB/share)	2.05	0.80	155.72	0.64
Rate of return on net assets (weighted average) (%)	8.69	4.11	Increased by 4.58 percentage points	4.81
Rate of return on net assets after non-recurring profit and loss items (weighted average) (%)	10.94	4.91	Increased by 6.03 percentage points	4.35

***NON-RECURRING PROFIT AND LOSS ITEMS AND AMOUNT  
(PREPARED IN ACCORDANCE WITH PRC GAAP)***

*Unit: Yuan Currency: RMB*

<b>Non-recurring profit and loss items</b>	<b>2021 amount</b>	2020 amount	2019 amount
Profit and loss from disposal of non-current asset	<b>-117,634,636</b>	-112,836,491	-104,926,775
Government grant as included in profit and loss of the current period, other than those closely relating to the normal business of enterprises and subject to a fixed amount or quantity under certain standard and in compliance with national policies	<b>158,982,823</b>	142,904,812	147,496,290
Profit and loss from changes in the fair value of financial assets held-for-trading, derivative financial assets, financial liabilities held-for-trading, derivative financial liabilities, and investment gains from disposal of financial assets held-for-trading, derivative financial assets, financial liabilities held-for-trading, derivative financial liabilities and other debt investments except for effective hedging businesses related to normal operation of the Company	<b>-1,970,504,423</b>	-932,775,106	197,663,840
Reversion of provision for impairment of the receivables and contract assets under independent impairment test	<b>200,121,859</b>	0	17,420,056
Other non-operating income and expenses other than the above	<b>29,262,806</b>	53,856,196	75,044,677
Less: Impact from income tax	<b>-95,185,568</b>	-130,629,189	94,559,904
Impact from interests of non-controlling shareholders (after tax)	<b>-145,702,292</b>	-264,327,591	457,983
Total	<b><u>-1,458,883,711</u></b>	<b><u>-453,893,809</u></b>	<b><u>237,680,201</u></b>

**ITEMS MEASURED AT FAIR VALUE (PREPARED IN ACCORDANCE WITH PRC GAAP)**

Unit: Yuan Currency: RMB

Item	Opening balance	Closing balance	Changes during the period	Impact on profit of the current period
1. Investment in held-for-trading equity instruments				
Equity investments	153,533,258	<b>213,520,573</b>	59,987,315	12,411,157
2. Investment in held-for-trading debt instruments				
Bond investment	0	<b>973,592,548</b>	973,592,548	8,903,234
Investment in debt instruments	4,300,400,672	<b>2,832,879,447</b>	-1,467,521,225	199,529,239
3. Held-for-trading financial liabilities	0	<b>0</b>	0	-9,177,093
4. Other non-current financial assets	1,652,738,682	<b>1,266,705,556</b>	-386,033,126	-313,930,406
5. Other equity instruments	14,864,404,752	<b>19,260,619,266</b>	4,396,214,514	6,323,063
6. Derivatives not designated as a hedging relationship				
Foreign currency forward contracts	17,051,349	<b>45,391,790</b>	28,340,441	185,249,618
Interest rate swaps contracts	-16,768,274	<b>0</b>	16,768,274	16,768,274
Commodity option contracts	-369,190	<b>-8,854,726</b>	-8,485,536	46,977,044
Commodity derivative contracts	-135,565,424	<b>33,153,553</b>	168,718,977	-1,990,847,646
7. Hedging instruments				
Effective hedging derivative instruments				
Commodity futures contracts	-17,254,789	<b>29,880,118</b>	47,134,907	21,061,205
Provisional price arrangement	-426,978,829	<b>-11,441,879</b>	415,536,950	415,536,950
8. Items measured at fair value included in inventory	6,159,716,148	<b>6,311,663,309</b>	151,947,161	-441,219,744
9. Financing of accounts receivable	2,595,046,355	<b>2,535,148,368</b>	-59,897,987	0
<b>Total</b>	<b>29,145,954,710</b>	<b>33,482,257,923</b>	<b>4,336,303,213</b>	<b>-1,842,415,105</b>

**MAJOR QUARTERLY FINANCIAL DATA IN 2021 (PREPARED IN ACCORDANCE WITH PRC GAAP)**

*Unit: Yuan Currency: RMB*

	First Quarter (January–March)	Second Quarter (April–June)	Third Quarter (July–September)	Fourth Quarter (October–December)
Operating revenue	102,036,174,286	124,758,136,731	110,462,263,710	105,511,095,434
Net profit attributable to shareholders of the Company	859,445,869	2,183,620,588	1,463,718,815	1,128,782,256
Net profit after non-recurring profit and loss items attributable to shareholders of the Company	1,273,711,972	3,935,802,660	757,556,264	1,127,380,343
Net cash flows from operating activities	-1,786,713,597	3,554,144,259	6,298,189,837	966,013,847

**3.3 Major accounting data (prepared in accordance with IFRSs)**

*Unit: '000 Currency: RMB*

	2021	2020	Increase/ (decrease) (%)
Revenue	441,614,438	317,756,486	38.98
Profit before tax	7,416,888	3,252,071	128.07
Income tax	1,387,449	892,594	55.44
Profit attributable to non-controlling interests	256,914	131,773	94.97
Profit attributable to owners of the company	5,772,525	2,227,704	159.12
Basic and diluted earnings per ordinary share attributable to shareholders of the parent company (RMB)	1.67	0.64	160.94
	As at 31 December 2021	As at 31 December 2020	Increase/ (decrease) (%)
Total assets	161,034,643	140,881,553	14.30
Total liabilities	83,224,717	74,022,249	12.43
Equity attributable to shareholders of the parent company	69,798,852	59,910,393	16.51
Equity per share attributable to shareholders of the Company (RMB)	20.16	17.30	16.53

### 3.4 Differences in accounting data between IFRSs and PRC GAAP

***Differences in net profit and net assets attributable to shareholders of the Company in the consolidated financial report prepared under IFRSs and those under 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 period	Amount for the previous period	As at the end of the period	As at the beginning of the period
Prepared in accordance with the PRC GAAP	5,635,567,528	2,320,394,755	69,798,852,884	59,910,393,466
Adjustments to items and amounts under IFRSs:				
Safety fund expenses provided but not used under the PRC GAAP during the period	136,957,041	-92,690,499		
Under IFRSs	<u>5,772,524,569</u>	<u>2,227,704,256</u>	<u>69,798,852,884</u>	<u>59,910,393,466</u>

***Description of the differences between domestic and overseas accounting standards:***

Pursuant to the provisions of the Ministry of Finance of the PRC and the State Administration of Work Safety of the PRC, the safety fees are collected in accordance with the requirements of the Administrative Measures on the Collection and Use of Production Safety Fees of Enterprises (Cai Qi [2012] No.16). The safety fees are used exclusively for the improvement and enhancement of enterprises to provide safe production conditions. The safety fees to be drawn down are included in the cost or current profit or loss of the underlying products, and are separately reflected in “special reserves” of the equity interests of shareholders. When the withdrew safety production fees are being used, if the expenditure is being expensed, the special reserve shall be directly written off. For fixed assets which have been generated using the withdrew safety production expenditure, the expenses incurred in the collection of the construction-in-progress items shall be recognized as fixed assets when the safety project is completed and ready for its intended use; at the same time, the special reserve shall be offset by the cost of forming the fixed assets, and recognise the same amount of accumulated depreciation. Such fixed assets are no longer depreciated in subsequent periods. According to the IFRSs, the expenditure on production safety is separately reflected in



the form of profit distribution in restricted reserve of ownership of equity at the time of withdrawal. Expenses which are expensed in the prescribed scope of use are included in the statement of comprehensive income in the period in which they are incurred; for capital expenditure, they are transferred to property, plant and equipment upon completion and depreciated in accordance with the depreciation policies of the Company. At the same time, in accordance with the actual amount use of the safety production fees of the current period, such amount shall be carried forward within the owner's equity to write off the restrictive reserve items and increase the undistributed profit, and shall limit the reduction of the remaining restricted reserve to zero.

## **4 REPORT OF THE BOARD**

### **I. Management Discussion and Analysis**

Since 2021, all employees of the Group have successfully responded to difficulties and challenges such as the tightening of downstream industries, tight supply of raw materials and rising costs with the spirit and ambition of “being a model and striving for excellence”.

In 2021, the Company achieved operating income of RMB442,768,000,000, representing a year-on-year increase of 38.99% (the same period of last year: RMB318,563,000,000); net profit attributable to shareholders of the listed company was RMB5,636,000,000, representing a year-on-year increase of 142.87% (the same period of last year: RMB2,320,000,000). As of 31 December 2021, the Company's total assets amounted to RMB161,035,000,000, representing an increase of 14.30% as compared with the beginning of the year (beginning of the year: RMB140,881,000,000), of which net assets attributable to shareholders of the Company amounted to RMB69,799,000,000, representing an increase of 16.51% as compared with the beginning of the year (beginning of the year: RMB59,910,000,000).

**(1) Pursuing excellence in production and operation and achieving continuous growth in operating results**

Products	2021 Production Volume	2020 Production Volume	Year-on-year growth (%)
Copper cathode (ten thousand tonnes)	178.22	164.25	8.51
Gold (tonnes)	71.66	78.59	-8.82
Silver (tonnes)	1,123.71	1,126.39	-0.24
Sulphuric acid (ten thousand tonnes)	530.11	511.96	3.55
Copper processing products (ten thousand tonnes)	165.17	147.12	12.27
Including: copper rods	150.03	133.39	12.47
Self-produced copper contained in copper concentrate (ten thousand tonnes)	20.23	20.86	-3.02
Sulphur concentrates (ten thousand tonnes)	254.12	264.55	-3.94
Molybdenum concentrate folding (45%) (tonnes)	7,906	7,996	-1.13

**(2) Breaking through and surpassing the project construction, and steadily improving the comprehensive strength**

1. Kazakhstan Bakuta Tungsten Mine, a key project under the Belt and Road Initiative, overcame various difficulties and worked closely with partners to accelerate the progress of construction.
2. The 10,000-tonne/day expansion project of the phase III of Wushan Copper Mine (武山銅礦) (“**Wushan Copper Mine**”) and the 5,000-tonne/day diversion pit project of JCC Yinshan Mining Company Limited (江西銅業集團銀山礦業有限責任公司) (“**Yinshan Mining**”) is stepping up the construction; The 100,000 tonnes/year electrolytic copper project of JCC Hongyuan Copper Industry Co., Ltd. (江銅宏源銅業有限公司) commenced operation, the 180,000 tonnes/year copper cathode energy saving and emission reduction project of JCC Guoxing (Yantai) Copper Company Limited (江銅國興(煙台)銅業有限公司) (“**JCC Guoxing**”) and the 100,000 tonnes/year copper cathode reconstruction and expansion project of Jiangxi Copper (Qingyuan) Company Limited (江西銅業(清遠)有限公司) (“**Qingyuan**”) are also under construction, which will further consolidate the advantages of domestic smelting scale.

3. The transformation and upgrading of copper processing products towards differentiated, high-end and high-value products was accelerated, and the product quality was steadily improved. A large number of projects such as the third phase of Jiangxi Copper Yates Copper Foil Company Limited (江西省江銅耶茲銅箔有限公司) (“**Copper Foil Company**”) with 15,000 tonnes/year lithium battery copper foil, Jiangxi Copper North China (Tianjian) Copper Co., Ltd. (江銅華北(天津)銅業有限公司) (“**Jiangxi Copper North China**”) 220,000 tonnes/year copper rod and wire, the second phase of Jiangxi Copper (Guangzhou) Copper Production Company Limited (廣州江銅銅材有限公司) (“**GZPC**”) 350,000 tonnes/year copper rod and wire, 8000 tonnes/year special enamelled wire, and 10,000 tonnes/year copper fine wire were completed and put into operation; After controlling Jiangxi Cable Co., Ltd. (江西電纜有限責任公司) (“**Jiangxi Cable**”), it became the only enterprise in Jiangxi Province that can produce 500KV ultra-high voltage cables, becoming a new “forerunner” in the power industry.
4. Accelerate the layout of new energy field, start the construction of phase IV of Copper Foil Company with 20,000 tonnes/year electrolytic copper foil, GZPC’s 100,000 tonnes/year multi-head drawing copper wire of GZPC and 4,000 tonnes/year new energy vehicle flat copper wire project; On 7 December 2021, the three major projects of 100,000 tonnes/year lithium copper foil, 220,000 tonnes/year supporting copper rod, 30,000 tonnes/year high-end casting and equipment manufacturing commenced construction in Shangrao Economic Development Zone, and the equipment manufacturing industry will take off from a high starting point.

### **(3) Breakthrough in innovation-driven development and stronger technology engine**

2021 is a new year for the Company to carry out major reform, improvement and breakthrough in the scientific and technological innovation system, reshape the scientific and technological innovation management system, reconstruct the innovation-driven work process, improve the scientific and technological innovation incentive mechanism, build a good scientific and technological innovation atmosphere, and make every effort to eliminate the institutional barriers. During this year, the Company completed 59 original projects of safety and environmental protection, including the research and development of new materials such as “high-performance ultra-fine silk copper-silver alloy wire billets” and “full-tailed mortar filling mining method”.

During the year, a total of 190 patents were applied for, including 46 invention patents; 154 patents including “A method for extraction of tin in silver separation slag” were authorized, including 13 invention patents.

**(4) *Seeking thousands of ideas in improving governance and improving management and control***

The Company has always taken the overall coordination and promotion of the modernization of corporate governance system and governance capacity as a booster for high-quality development, and made every effort to build the “one chest” and “big pattern” of corporate management. The eight systems of risk control, science and technology innovation, big supervision, big synergy, position system, comprehensive budget, benchmarking and standard creation, and corporate culture have been fully implemented, realizing the vertical to the bottom, horizontal to the edge, comprehensive integration, high quality and efficiency of corporate management. A large-scale risk control system with “full coverage, monitoring, analysis and response” has been formed; The four lines of defense, namely audit, risk control, finance and supervisory committee, have effectively prevented power loss and control, management failure, and supervision failure, so as to ensure the stable and long-term development of the Company. solidly promote strategic synergy, operation synergy and management synergy, and effectively promote management improvement and efficiency improvement; The employee position system has achieved full coverage of the operation of units in the province, the establishment of internal human resources market has been completed, and the career development channels of employees have been broadened in various aspects, forming a good atmosphere where outstanding employees stand out and are willing to pursue.

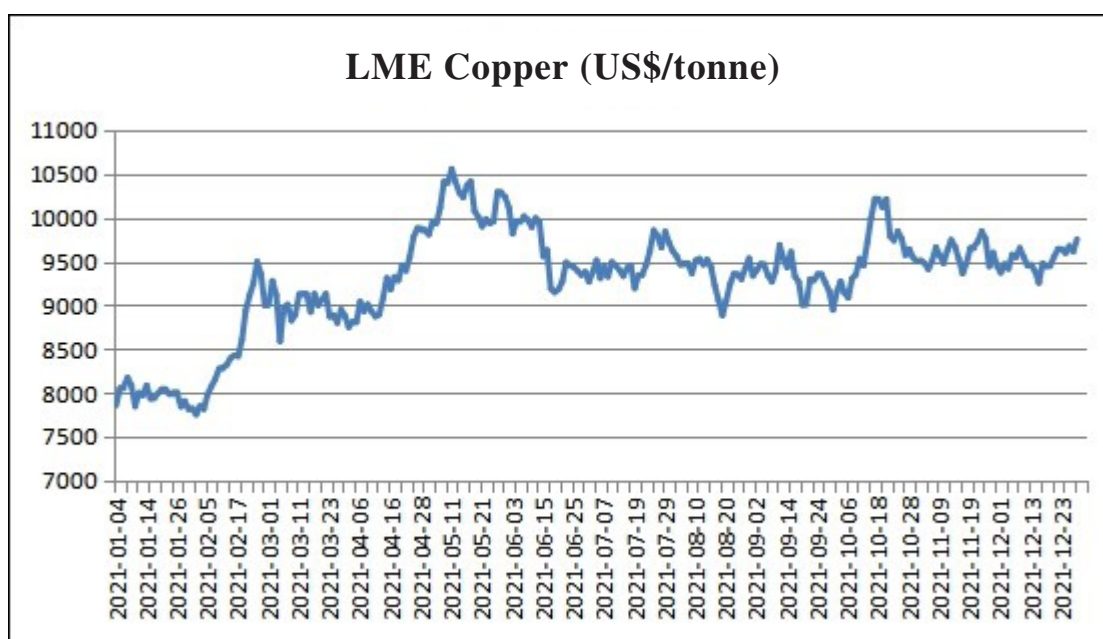
**(5) *Strong contribution to safety and environmental protection, and more abundant green connotation***

We continue to strengthen ecological governance and protection, with major pollutant emission indicators below 50% of national standards, total sulfur utilization rate and smelting industrial wastewater utilization rate above 97%.

We will resolutely implement the strategic deployment of “carbon peak and carbon neutrality”, comprehensively sort out and understand the bottom of carbon emissions and carbon reduction potential, and work plans for carbon reduction are being formulated. Give full play to the leading role of energy management, accelerate the green and low-carbon industrial innovation of mines, smelting and processing units, and realize systematic energy conservation and consumption reduction; The Company accelerated the progress of land intensification, clean production, resource recycling and low-carbon energy in all fields, processes and links.

## II. Industry of the Company during the Reporting Period

In the post-2021 pandemic era, in the face of complex domestic and international environment, copper prices remained volatile as a whole, but the trend was generally divided into unilateral rise from January to May and range fluctuation from June to December. From January to May 2021, the global economy gradually recovered under the semi blockade. The US monetary and fiscal policies were both loose, and the global monetary policy followed suit, pushing up inflation expectations. China's industry, fixed asset investment, real estate development investment, import and export annual rate and other economic data have maintained a growth rate of more than 20%. Under the optimistic expectation of global macro-economy and inflation, copper prices rose unilaterally from January to May. In the second half of 2021, since the National Standing Committee Meeting mentioned the rapid rise of commodities in May, the supervision continued to be maintained. As the China's external situation was more severe, and the issuance of local government special bonds was slow in the first half of the year, the progress of infrastructure implementation was slower than expected. Therefore, in the economic growth of the three carriages, there was great downward pressure on investment and export. In the fourth quarter, the domestic policy adhered to steady growth, while the Federal Reserve began to reduce bond purchase in November, and the US easing policy gradually shifted from the monetary side to the fiscal side. In addition, under the influence of factors such as failure to restore global shipping, continuous rise of international oil prices and increase of labor costs, global inflation expectations are rising. From June to December 2021, influenced by the intertwining of long and short factors, the copper price remained volatile in the range of US\$8,800-10,400/tonne. As of 31 December 2021, the three-month closing price of copper on the LME was US\$9,755, up 25.8%. In 2021, the average three-month copper price on the LME was US\$9,294.1/tonne, up 49.9%.



For copper concentrate, in the first quarter of 2021, the supply of copper producing countries Chile and Peru was interrupted due to the pandemic, and the treatment charge of copper concentrate fell to a new low in recent years, and once fell below US\$30/tonne in April. However, the sharp rise in copper prices stimulated the enthusiasm for copper production. In the second half of the year, the new capacity of global copper mines was released well. The new output was approximately 1.2 million tonnes in 2021, and the treatment charge of copper concentrate rose sharply to above US\$60/tonne in the fourth quarter. The average treatment charge of copper concentrate in 2021 was US\$48/tonne, down 11.1% from US\$54/tonne in 2020. In 2022, China's smelters and Freeport determined that the benchmark of the long-term treatment charges of copper concentrate in 2022 was US\$65/tonne, representing an increase of 9.2% as compared with that of 2021, which was US\$59.5/tonne. According to statistics, the supply of major mines in the world will increase by 1.4 million tonnes in 2022. At present, the treatment charges of copper concentrate are US\$66.5/tonne, which are still expected to rise.

For scrap copper, due to the tightening of scrap copper policy in Southeast Asia and the repeated impact of the pandemic, the import of scrap copper in China has decreased significantly since the second quarter of 2021, and the EU would announce a new scrap copper policy in November. Most traders began to wait and see, and the overall supply of scrap copper was tight. Since the implementation of the new policy on copper scrap in November 2020, although the overall import of copper scrap has increased significantly, the annual import of copper scrap in 2021 was 1.693 million tonnes, representing a significant year-on-year increase of 79.4%, but it was still far lower than the 2.413 million tonnes in 2018.



In 2021, the overall consumption of copper downstream industry was satisfactory, and various industries were differentiated. Among them, the investment in photovoltaic, wind power and other new energy fields was driven by the carbon neutralization policy, and the consumption of cables and power generation equipment was strong. According to the data released by the Bureau of Statistics, the output of power cables increased significantly by 22.9% year-on-year in 2021, and the output of power generation equipment increased by 9.9%. The overall consumption performance in the field of household appliances was satisfactory. From January to October, the output of washing machines, air conditioners and freezers increased by 9.5%, 9.4% and 7.9%, respectively, while the output of engines and refrigerators increased negatively.

Due to the overall improvement of downstream consumption, the copper market experienced a round of obvious destocking in 2021, and the inventory of the three exchanges decreased significantly from the high point of 496,000 tonnes in June to 173,000 tonnes in November. During the Spring Festival in 2022, the copper market accumulated to 308,000 tonnes as scheduled, but it was still the historical low in the same period. In the context of global carbon neutrality, investment in new energy electric vehicles, photovoltaic, wind power and supporting facilities would be greatly increased. It is expected that the copper market will be in tight balance or shortage for a long period of time.

### **III. Business situation of the Company during the Reporting Period**

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

The main assets owned and controlled by the Group include:

1. A listed company: Humon Smelting (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 the controlling shareholder of Humon Smelting. Humon Smelting is mainly engaged in the exploration, mining, dressing, smelting and chemical production of gold. It is a national key gold smelting enterprise with the annual production capacity of 50 tonnes of gold and 1,000 tonnes of silver, and with the production capacity of 0.25 million tonnes of electrolytic copper and 1.3 million tonnes of sulphuric acid.
2. Four smelters under production: Guixi Smelter, Jiangxi Copper (Qingyuan) Company Limited, JCC Hongyuan Copper Industry Co., Ltd. and Zhejiang Jiangtong Fuye Heding Copper Co., Ltd., among which Guixi Smelter is the largest scale and the technology advanced blister and copper concentrate smelter and refiner in the PRC.
3. Five 100% owned mines under production: Dexing Copper Mine (including copper factory mining area, Fujiawu mining area and Zhushahong mining area), Yongping Copper Mine, Chengmenshan Copper Mine (including Jinjiwo Silver-Copper Mine), Wushan Copper Mine and Yinshan Mining.
4. Eight modern copper products processing plants: Jiangxi Copper Products Company Limited, Jiangxi Copper (Guangzhou) Copper Production Company Limited, Copper Foil Company, Jiangxi Copper – Taiyi Special Electrical Materials Company Limited, Jiangxi Copper (Longchang) Precise Copper Pipe Company Limited, JCC Copper Products Company Limited, Jiangxi Copper North China and JCC Huadong (Zhejiang Copper) Co., Ltd.



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

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

## 2. Business model

### (1) Procurement model

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

Product	Procurement channel	Procurement method	Pricing method
Copper concentrate	Domestic and foreign procurement	Purchased uniformly by the trading business department of the Company	Foreign procurement was conducted with reference to the LME copper price, the LBMA gold and silver price, and TC/RC was deducted from the above metal price basis as procurement price. TC/RC was determined through negotiations between both parties; domestic procurement was conducted with reference to the copper price on the Shanghai Futures Exchange (the "SHFE"), and the corresponding processing fees were deducted or multiplied by the corresponding pricing coefficient on the basis of the average price or spot price of the SHFE.
Thick copper, coarse copper	Domestic and foreign procurement	Purchased uniformly by the trading business department of the Company	Foreign procurement was conducted with reference to the LME copper price, the LBMA gold and silver price, and TC/RC was deducted from the above metal price basis as procurement price. TC/RC was determined through negotiations between both parties; domestic procurement was conducted with reference to the copper price on the Shanghai Futures Exchange (the "SHFE"), and the corresponding processing fees were deducted or multiplied by the corresponding pricing coefficient on the basis of the average price or spot price of the SHFE.
Production equipment	Domestic and foreign procurement	Purchased uniformly by the material and equipment department of the Company	Compare to the market price

## (2) Sales model

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

## (3) Production model

At present, there are two main smelting methods of copper 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 sulfide ore; wet smelting is generally suitable for low-grade copper oxide, which is lower in cost, but has great restrictions on the grade and type of ore, and has higher impurity content. The Company mainly uses pyrometallurgical copper smelting, and adopts wet smelting for gold smelting.

#### **IV. Analysis of core competitiveness during the Reporting Period**

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

##### **1. Advantage of scale**

The Group has the largest production base of copper, associated gold and silver and owns an important base of sulphuric chemistry in the PRC. The Company owns the copper mine of the largest scale currently in the PRC, namely Dexing Copper Mine and a number of copper mines under production. As at 31 December 2021, the Company had 100% ownership in the resource reserves of approximately 8.619 million tonnes of copper metal, 278.5 tonnes of gold, 8,138 tonnes of silver, and 200,000 tonnes of molybdenum. Among the resources jointly controlled by the Company and other companies, metal resource reserves attributable to the Company (based on its equity percentage) were approximately 4,435,000 tonnes of copper and 52 tonnes of gold. Humon Smelting, a controlled subsidiary of the Company and its subsidiaries have 150.38 tonnes of proven gold reserves which have completed reserve registration.

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

- (1) As the largest integrated copper production enterprises in the PRC, the Group has established its industrial chain with core businesses in mining, ore dressing, smelting and processing of gold and copper, as well as sulphuric chemistry and extraction and processing of precious and rare metals. The annual production of copper contained in copper concentrates of the Company is over 200,000 tonnes. Humon Smelting, a controlled subsidiary of the Company, has an annual production capacity of 50 tonnes of gold and 1,000 tonnes of silver and has production capacity of 0.25 million tonnes of electrolytic copper and 1.3 million tonnes of sulphuric acid.
- (2) The Group is currently the largest copper processing manufacturer in the PRC, with over 1,600,000 tonnes of processed copper products produced per year.
- (3) The production capacity of copper cathode of the Group is over 1,700,000 tonnes per year, and the Guixi Smelter of the Company is the copper smelter with the largest monomer smelting scale in the world.

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

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

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

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

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

The “Guiye” copper cathode owned by the Company has been 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 PRC Copper industry which has the three main products – copper cathode, gold and silver products registered with the LME and the LBMA. The copper testing factory established based on the laboratory of Guiye Center of the Company is the only testing factory of copper cathode in the PRC recognized by the LME, which has completed testing of a number of copper cathode registered with the LME for various domestic enterprises. The Company has established good and long-term relationship with world-class mining enterprises.

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

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

## V. Major business operations during the Reporting Period

According to the audited 2021 consolidated financial statement prepared in accordance with the PRC GAAP, the consolidated operating income of the Group is RMB442,767,670,161 (2020: RMB318,563,174,838), representing an increase of RMB124,204,495,323 (or 38.99%) as compared with last year; achieving net profit attributable to shareholders of the Company of RMB5,635,567,528 (2020: RMB2,320,394,755), representing an increase of RMB3,315,172,773 (or 142.87%) as compared with last year; basic earning per share is RMB1.63 (2020: RMB0.67).

### (I) Analysis of principal businesses (prepared in accordance with 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 same period last year	Changes (%)
Operating revenue	442,767,670,161	318,563,174,838	38.99
Operating cost	425,222,600,397	307,265,623,672	38.39
Tax expenses and surcharge	1,153,231,976	806,689,105	42.96
Selling expenses	367,464,400	269,426,993	36.39
Administrative expenses	2,795,789,161	2,031,670,135	37.61
Expenses on research and development	874,110,910	661,241,915	32.19
Net cash flow from operating activities	9,031,634,346	1,381,996,439	553.52
Net cash flow from investing activities	-3,228,842,582	-303,157,268	965.07
Net cash flow from financing activities	1,153,944,774	-5,161,904,548	-122.36
Impairment losses on assets	1,424,898,041	855,311,791	66.59
Credit impairment loss	480,018,755	1,264,063,696	-62.03
Investment income	-1,764,177,554	-304,281,434	479.78
Gains or losses from changes in fair value	-209,589,196	-632,097,749	-66.84
Gains on disposal of assets	40,062,722	-76,739,332	-152.21
Non-operating expenses	194,981,248	50,499,040	286.11
Income tax expenses	1,387,448,718	892,593,995	55.44

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

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

Explanation on changes in selling expenses: It was mainly due to the increase in customs agent fee and futures handling fee arising from the increase in price of main products.

Explanation on changes in administrative expenses: It was mainly due to the increase in wage and repair cost.

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

Explanation on changes in net cash flow from operating activities: It was mainly due to the increase in operating profit.

Explanation on changes in net cash flow from investing activities: It was mainly due to the decrease in recovery of investment.

Explanation on changes in net cash flow from financing activities: It was mainly due to the decrease in outstanding debts.

Explanation on changes in tax expenses and surcharge: It was mainly due to the increase in copper price and income scale.

Explanation on changes in credit impairment loss: It was mainly due to the decrease in the provision for credit impairment loss.

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

Explanation on changes in investment income: It was mainly due to the significant increase in copper price this year, which resulted in corresponding losses in closing positions in commodity futures contracts and gains from spot sales of the Company.

Explanation on changes in the changes in fair value: It was mainly due to the changes in fair value of commodity futures contracts.

Explanation on changes in gains on disposal of assets: It was mainly due to the disposal of assets in Dongtong Mining.

Explanation on changes in non-operating expenses: It was mainly due to the increase in disposal of assets.

Explanation on changes in income tax expenses: It was mainly due to the increase in profits.

Details of material changes in business type, profit composition or profit source of the Company during the period

Not applicable

## 2. Analysis on income and cost

Please refer to the following analysis for details:

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

*Unit: Yuan Currency: RMB*

By industry	Principal businesses by industry					
	Operating revenue	Operating cost	Gross profit margin (%)	Increase/decrease in operating revenue over last year (%)	Increase/decrease in operating cost over last year (%)	Increase/decrease in gross profit margin over last year (%)
Industry and other non-trading revenue	238,157,816,531	225,752,762,983	5.21	46.33	48.32	Decreased by 1.27 percentage points
Trading revenue	203,034,469,745	198,280,906,802	2.34	31.18	28.67	Increased by 1.90 percentage points
Others	1,575,383,885	1,188,930,612	24.53	51.80	24.35	Increased by 16.66 percentage points



Principal businesses by product

By product	Operating revenue	Operating cost	Gross profit margin (%)	Increase/decrease in operating revenue over last year (%)	Increase/decrease in operating cost over last year (%)	Increase/decrease in gross profit margin over last year (%)
Copper cathode	221,113,209,617	210,798,499,063	4.66	32.66	31.61	Increased by 0.76 percentage points
Copper rods and wires	102,444,247,169	101,246,248,974	1.17	73.94	74.12	Decreased by 0.10 percentage points
Copper processed products	6,441,992,374	5,932,015,264	7.92	50.12	44.98	Increased by 3.26 percentage points
Gold	28,242,117,400	27,457,035,988	2.78	-16.23	-12.71	Decreased by 3.91 percentage points
Silver	14,015,436,238	13,623,188,484	2.80	5.12	9.17	Decreased by 3.61 percentage points
Chemical products (sulfuric acid and sulfur concentrate)	3,375,199,300	1,440,072,459	57.33	202.31	3.13	Increased by 82.40 percentage points
Scattered metals	3,011,148,706	2,449,700,130	18.65	28.43	14.55	Increased by 9.86 percentage points
Copper concentrate, coarse copper and anode plates	31,454,251,860	31,051,733,896	1.28	132.92	138.92	Increased by 0.06 percentage points
Other non-ferrous metals	24,727,800,519	24,188,561,613	2.18	60.28	60.19	Decreased by 2.48 percentage points
Other principal business	6,366,883,093	5,846,613,914	8.17	-22.55	-29.81	Increased by 9.50 percentage points
Other business income	1,575,383,885	1,188,930,612	24.53	51.80	24.35	Increased by 0.36 percentage points

### Principal businesses by geographical location

By geographical location	Operating revenue	Operating cost	Gross profit margin (%)	Increase/decrease		Increase/decrease in gross profit margin over last year (%)
				in operating revenue over last year (%)	Increase/decrease in operating cost over last year (%)	
Mainland China	379,475,852,872	360,754,887,337	4.93	46.82	45.95	Increased by 0.57 percentage points
Hong Kong	34,451,456,840	36,288,725,495	-5.33	1.46	7.86	Decreased by 6.26 percentage points
Other region	28,840,360,449	28,178,987,565	2.29	10.35	10.59	Decreased by 0.17 percentage points
Total	442,767,670,161	425,222,600,397	3.96	38.99	38.82	Increased by 0.12 percentage points

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

None

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

Major products	Unit	Output	Sales	Stock	Increase/decrease in output as compared with last year (%)	Increase/decrease in sales as compared with last year (%)	Increase/decrease in stock as compared with last year (%)
Copper cathode	Ten thousand tonnes	178.22	178.44	1.00	8.51	-6.61	-17.91
Gold	Tonne	71.66	72.98	0.77	-8.82	-5.48	-63.21
Silver	Tonne	1,123.71	1,169.17	37.77	-0.24	9.96	-54.62
Sulphuric acid	Ten thousand tonnes	530.11	526.41	7.06	3.55	2.15	110.07
Copper processing products	Ten thousand tonnes	165.17	166.73	2.62	12.27	10.02	-37.32

### Explanation on output and sales volume

The scope of statistics of the “Analysis table for output and sales” mentioned above excludes trading.

(3) Performance of material purchase contracts and material sales contracts

Performance of material sales contracts entered into as at the end of the Reporting Period

*Unit: Yuan Currency: RMB*

Subject matter of the contract	Counterparty	Total contract sum	Total amount fulfilled	Performance during the Reporting Period	Amount to be fulfilled	Whether contract was performed normally	Explanation on contracts not being performed normally
Gold	Shanghai Gold Exchange		11,999,892,322.46	11,999,892,322.46	-	Yes	
Copper cathode, silver, copper rod, trading copper cathode, silver copper	Shanghai Jinjin Industrial Co., Ltd. (上海晉金實業有限公司)		5,454,169,104.02	5,454,169,104.02	-	Yes	
Copper cathode, copper rod, trading copper cathode	Jiangxi Xiangchuan Copper Co., Ltd. (江西祥川銅業有限公司)		3,557,229,091.88	3,557,229,091.88	-	Yes	
Copper cathode and trading copper cathode	Shanghai Zhili Metal Materials Co., Ltd. (上海智立金屬材料有限公司)		3,490,355,332.69	3,490,355,332.69	-	Yes	
Trading copper cathode	Ningbo Haitian Zhicheng Products Co., Ltd. (寧波海天志誠物產有限公司)		3,192,918,854.55	3,192,918,854.55	-	Yes	

Performance of material purchase contracts entered into as at the end of the Reporting Period

Unit: Yuan Currency: RMB

Subject matter of the contract	Counterparty	Total contract sum	Total amount fulfilled	Performance during the Reporting Period	Amount to be fulfilled	Whether contract was performed normally	Explanation on contracts not being performed normally
Alloy gold	Shanghai Gold Exchange		<b>6,824,229,048.95</b>	6,824,229,048.95	-	Yes	
Trading copper cathode	Shanghai Xinyao Industrial Co., Ltd. (上海鑫堯實業有限公司)		<b>6,739,748,569.91</b>	6,739,748,569.91	-	Yes	
Imported copper concentrate and anode copper	Mitsui & Co., Ltd		<b>3,135,430,212.33</b>	3,135,430,212.33	-	Yes	
Imported anode copper	YUNNAN COPPER H.K LIMITED		<b>2,669,725,474.88</b>	2,669,725,474.88	-	Yes	
Domestic crude copper and anode copper	Jiangxi Rijia Copper Co., Ltd. (江西日佳銅業有限公司)		<b>2,169,978,677.23</b>	2,169,978,677.23	-	Yes	

## (4) Analysis on costs

*Unit: Yuan Currency: RMB*

By industry	Cost constituent	For the period	By industry		Share of total costs for the same period last year (%)	Changes of the amount for the period compared to the same period last year (%)	Explanation
			Share of total costs for the period (%)	For the same period last year			
Manufacturing of non-ferrous metals	Raw materials	213,815,515,124	50.42	142,132,116,947	46.40	50.43	
	Energy power	3,033,360,519	0.72	2,805,835,247	0.92	8.11	
	Labour	2,177,250,883	0.51	1,837,953,251	0.60	18.46	
	Overheads	6,726,636,457	1.59	5,434,468,826	1.77	23.78	
	Sub-total	225,752,762,983	53.24	152,210,374,271	49.69	48.32	
Trading of non-ferrous metals	Sub-total	198,280,906,802	46.76	154,099,102,997	50.31	28.67	
Total		424,033,669,785	100.00	306,309,477,268	100.00	38.43	

*Unit: Yuan Currency: RMB*

By Product	Cost constituent	For the period	By Product		Share of total costs for the same period last year (%)	Changes of the amount for the period compared to the same period last year (%)	Explanation
			Share of total costs for the period (%)	For the same period last year			
Copper products	Raw materials	180,764,230,117	42.63	103,709,011,011	33.86	74.30	
	Energy power	2,253,369,254	0.53	1,985,395,639	0.65	13.50	
	Labour	1,588,991,706	0.38	1,314,928,116	0.43	20.84	
	Overheads	4,747,422,899	1.12	3,995,223,983	1.30	18.83	
	Sub-total	189,354,013,976	44.66	111,004,558,749	36.24	70.58	

Unit: Yuan Currency: RMB

By Product	Cost constituent	For the period	By Product		Share of total costs for the same period last year (%)	Changes of the amount for the period compared to the same period last year (%)	Explanation
			Share of total costs for the period (%)	For the same period last year			
By-products of precious metals	Raw materials	32,831,392,651	7.74	38,070,221,416	12.43	-13.76	
	Energy power	304,904,286	0.07	352,204,568	0.11	-13.43	
	Labour	300,742,472	0.07	264,131,521	0.09	13.86	
	Overheads	965,366,017	0.23	677,684,837	0.22	42.45	
	Sub-total	34,402,405,426	8.11	39,364,242,342	12.85	-12.60	
Chemical products	Raw materials	108,381,588	0.03	238,354,234	0.08	-54.53	
	Energy power	357,910,443	0.08	375,403,930	0.12	-4.66	
	Labour	213,206,192	0.05	191,677,248	0.06	11.23	
	Overheads	760,574,236	0.18	590,939,918	0.19	28.71	
	Sub-total	1,440,072,459	0.34	1,396,375,330	0.45	3.13	
Rare metals	Raw materials	111,510,768	0.03	114,530,286	0.04	-2.64	
	Energy power	117,176,536	0.03	92,831,110	0.03	26.23	
	Labour	74,310,513	0.02	67,216,366	0.02	10.55	
	Overheads	253,273,305	0.06	170,620,088	0.06	48.44	
	Sub-total	556,271,122	0.13	445,197,850	0.15	24.95	
Trading	Sub-total	198,280,906,802	46.76	154,099,102,997	50.31	28.67	
	Total	424,033,669,785	100.00	306,309,477,268	100.00	38.43	

### Other explanation on analysis on cost

Note: The scope of statistics of the “Principal businesses by product” stated above includes trading.

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

On 23 December 2020, the Group entered into an agreement on increase in capital and share with Ji'an Xinshiyang Industrial Co., Ltd.\* (吉安鑫石陽實業有限公司) and Jiangxi Cable, agreeing to subscribe for additional registered capital of RMB156,122,400 of Jiangxi Cable at a consideration of RMB208,403,900. Upon completion of the above capital increase, the Group holds 51% equity interests in Jiangxi Cable. The equity transaction was completed on 6 January 2021, and the Group incorporated Jiangxi Cable into the scope of consolidation.

On 7 July 2020, Jiangxi Copper North China, a subsidiary of the Group, entered into an equity transaction agreement with TpcO Copper Holding Limited (天津大無縫投資有限公司) (“**TpcO Copper Holding**”), under which Jiangxi Copper North China acquired 91.59% equity interests in TPCO Copper Industry Corp., Ltd. (天津大無縫銅材有限公司) (“**TPCO Copper Industry**”) held by TpcO Copper Holding at a consideration of RMB300 million. The equity transaction was completed on 5 January 2021, and the Group incorporated TPCO Copper Industry into the scope of consolidation.

On 26 August 2021, Jiangxi JCC Environmental Resources Technology Co., Ltd. (江西江銅環境資源科技有限公司) (“**Jiangxi JCC Environmental**”), a subsidiary of the Group, entered into an equity transfer agreement with the natural person shareholder, under which Jiangxi JCC Environmental acquired 49.00% equity interests in Guangdong Taolin Ecological Environment Co., Ltd.\* (廣東桃林生態環境有限公司) (“**Guangdong Taolin**”) held by the natural person shareholder at a consideration of RMB36,488,300, and entered into an acting-in-concert agreement with the natural person shareholder, pursuant to which the Group's exercisable ratio reached 58.32%. The equity transaction was completed on 28 September 2021, and the Group incorporated Guangdong Taolin into the scope of consolidation.

On 1 January 2021, Jiangxi JCC Environmental, a subsidiary of the Group, was incorporated with an initial registered capital of RMB300 million, and its scope of business includes renewable resource recycling, solid waste treatment, renewable resource processing and sales of non-metallic minerals and products. During the year, the newly-established subsidiary was incorporated into the scope of consolidation.

On 23 April 2021, Jiangxi Copper (Shenzhen) International Investment Holding Co., Ltd (江西銅業(深圳)國際投資控股有限公司), a subsidiary of the Group, contributed RMB100 million to establish JCC (Hainan) International Supply Chain Co., Ltd.\* (江銅(海南)國際供應鏈有限公司), a wholly-owned subsidiary, whose scope of business includes the sales of metal materials, metal ores and metal products. During the year, the newly-established subsidiary was incorporated into the scope of consolidation.

On 11 August 2021, Jiangxi Copper Products Company Limited (江西銅業銅材有限公司), a subsidiary of the Group, contributed RMB320 million to establish Jiangxi Copper Huadong Copper Materials Co., Ltd.\* (江西銅業華東銅材有限公司), a wholly-owned subsidiary, whose scope of business includes non-ferrous metal processing, sales of metal material and manufacturing of metal material. During the year, the newly-established subsidiary was incorporated into the scope of consolidation.

On 7 September 2021, Copper Foil Company, a subsidiary of the Group, established Jiangxi JCC Huadong Copper Foil Co., Ltd.\* (江西江銅華東銅箔有限公司), a wholly-owned subsidiary, with a subscribed capital contribution of RMB2,000 million, whose scope of business includes production and sales of electrolytic copper foil products. During the year, the newly-established subsidiary was incorporated into the scope of consolidation.



On 31 December 2021, Chengdu Longjing Co., Ltd.\* (成都隆璟實業有限公司) (“**Chengdu Longjing**”), a minority shareholder of Chengdu Jiangtong Jinhao Co., Ltd.\* (成都江銅金號有限公司) (“**Chengdu Jinhao**”), a subsidiary of the Group, contributed RMB2.05 million to Chengdu Jinhao. After the capital contribution, the Group holds 49.00% equity interest of Chengdu Jinhao, and Chengdu Longjing holds 51.00% equity interest of Chengdu Jinhao. The Group lost the right of control of Chengdu Jinhao.

- (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 RMB49,370,210,000, accounted for 11.15% 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.

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

Not applicable

The purchase amount of the top five suppliers was RMB39,031,220,000, accounted for 9.18% 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.

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

Not applicable

Other descriptions

Nil

### 3. Expense

Unit: Yuan Currency: RMB

Item	For the period ended	For the same period last year	Increase/ (decrease) over the same period last year (%)
Selling expenses	367,464,400	269,426,993	36.39
Administrative expenses	2,795,789,161	2,031,670,135	37.61
Finance expenses	1,245,023,830	1,220,287,119	2.03
Expenses on research and development	874,110,910	661,241,915	32.19

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

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

Unit: 0,000 Yuan Currency: RMB

Expensed R&D investment for the current period	452,371.8
Capitalised R&D investment for the current period	26,895.3
Total R&D investment	479,267.1
Percentage of the total R&D investment in operating income (%)	1.08
Proportion of capitalization R&D investment (%)	5.61

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

Number of R&D personnel in the Company	5,056
Percentage of R&D personnel in the total number of employees of the Company (%)	19.32

#### Education level of R&D personnel

Education level	Number of staff
Doctoral degree	56
Postgraduate	383
Undergraduate	3,201
Junior college	1,416
High school and below	0

## Age level of R&D personnel

Age level	Number of staff
Under 30 years old (excluding 30 years old)	693
30-40 years old (including 30 years old and excluding 40 years old)	1,201
40-50 years old (including 40 years old and excluding 50 years old)	1,327
50-60 years old (including 50 years old and excluding 60 years old)	1,835
60 years old and above	0

(3) Explanation

Not applicable

(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 same period last year	Changes (%)
Net cash flow from operating activities	<b>9,031,634,346</b>	1,381,996,439	553.52
Net cash flow from investing activities	<b>-3,228,842,582</b>	-303,157,268	965.07
Net cash flow from financing activities	<b>1,153,944,774</b>	-5,161,904,548	-122.36

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

Unit: Yuan Currency: RMB

Item	For the period	For the same period last year	Changes
Impairment losses on assets	1,424,898,041	855,311,791	569,586,250
Impairment losses on credit	480,018,755	1,264,063,696	-784,044,941
Gains on changes in fair value	-209,589,196	-632,097,749	422,508,553
Returns on investment	-1,764,177,554	-304,281,434	-1,459,896,120

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

**1. Assets and liabilities**

Unit: 0,000 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
Cash and bank	3,483,098	21.63	2,502,587	17.76	39.18	Note 1
Bills receivable	20,162	0.13	3,345	0.02	502.75	Note 2
Prepayment	173,703	1.08	120,153	0.85	44.57	Note 3
Deferred income tax assets	70,739	0.44	48,571	0.34	45.64	Note 4
Derivative financial liabilities	29,097	0.18	103,140	0.73	-71.79	Note 5
Contract liabilities	219,249	1.36	148,450	1.05	47.69	Note 6
Staff remuneration payables	170,439	1.06	128,387	0.91	32.75	Note 7
Taxes payable	262,877	1.63	122,378	0.87	114.81	Note 8
Non-current liabilities due within one year	597,285	3.71	69,730	0.49	756.57	Note 9
Other current liabilities	565,761	3.51	322,282	2.29	75.55	Note 10
Bonds payable	150,000	0.93	50,000	0.35	200.00	Note 11
Lease liabilities	19,915	0.12	36,956	0.26	-46.11	Note 12
Other comprehensive income	1,151,791	7.15	717,149	5.09	60.61	Note 13
Special reserve	40,401	0.25	26,705	0.19	51.29	Note 14

Note 1: As at the end of the Reporting Period, the cash and bank of the Group amounted to RMB34,830.98 million, representing an increase of RMB9,805.11 million (or 39.18%) as compared with the end of the period of last year, mainly attributable to the increase in the fixed term deposit and large-value certificates of deposit of the Group.

- Note 2:* As at the end of the Reporting Period, the bills receivable of the Group amounted to RMB201.62 million, representing an increase of RMB168.17 million (or 502.75%) as compared with the end of the period of last year, mainly attributable to the increase in bill acceptance of the Group.
- Note 3:* As at the end of the Reporting Period, the prepayment of the Group amounted to RMB1,737.03 million, representing an increase of RMB535.50 million (or 44.57%) as compared with the end of the period of last year, mainly attributable to the increase in the prepayments for raw materials and commodity trade purchases of the Group.
- Note 4:* As at the end of the Reporting Period, the deferred Special reserve assets of the Group amounted to RMB707.39 million, representing an increase of RMB221.68 million (or 45.64%) as compared with the end of the period of last year, mainly attributable to the increase in deductible temporary differences of the Group.
- Note 5:* As at the end of the Reporting Period, the derivative financial liabilities of the Group amounted to RMB290.97 million, representing a decrease of RMB740.43 million (or -71.79%) as compared with the end of the period of last year, mainly attributable to the floating profit and loss of the Group's futures business.
- Note 6:* As at the end of the Reporting Period, the contract liabilities of the Group amounted to RMB2,192.49 million, representing an increase of RMB707.99 million (or 47.69%) as compared with the end of the period of last year, mainly attributable to the increase in the advance payment for goods of the Group.
- Note 7:* As at the end of the Reporting Period, the staff remuneration payables of the Group was RMB1,704.39 million, representing an increase of RMB420.52 million (or 32.75%) as compared with the end of the period of last year, mainly attributable to the increase in the provision for unpaid wages and bonuses of the Group.
- Note 8:* As at the end of the Reporting Period, the taxes payable of the Group was RMB2,628.77 million, representing an increase of RMB1,404.99 million (or 114.81%) as compared with the end of the period of last year, mainly attributable to the increase in the accumulated taxes payable by the Group this year.
- Note 9:* As at the end of the Reporting Period, the non-current liabilities due within one year of the Group amounted to RMB5,972.85 million, representing an increase of RMB5,275.55 million (or 756.57%) as compared with the end of the period of last year, mainly attributable to the reclassification of long-term borrowings due within one year.
- Note 10:* As at the end of the Reporting Period, the other current liabilities of the Group amounted to RMB5,657.61 million, representing an increase of RMB2,434.79 million (or 75.55%) as compared with the end of the period of last year, mainly attributable to the increase in deposits of the Group and its subsidiaries absorbed by JCC Finance Co., Ltd. (“**Finance Company**”), the Group's subsidiary.

- Note 11:* As at the end of the Reporting Period, the bonds payable of the Group was RMB1,500 million, representing an increase of RMB1,000 million (or 200%) as compared with the end of the period of last year, mainly attributable to the issuance of corporate bonds by the Group.
- Note 12:* As at the end of the Reporting Period, the lease liabilities of the Group amounted to RMB199.15 million, representing a decrease of RMB170.41 million (or -46.11%) as compared with the end of the period of last year, mainly attributable to the payment of lease payments.
- Note 13:* As at the end of the Reporting Period, other comprehensive income of the Group was RMB11,517.91 million, representing an increase of RMB4,346.42 million (or 60.61%) as compared with the end of the period of last year, mainly attributable to the increase in the fair value of equity instrument investments held by the Group.
- Note 14:* As at the end of the Reporting Period, the Special reserve of the Group amounted to RMB404.01 million, representing an increase of RMB136.96 million (or 51.29%) as compared with the end of the period of last year, mainly attributable to the increase in the production safety expenses of the Group.

## **2. Overseas assets**

### *(i) Asset scale*

Including: overseas assets of RMB3,088,066 (Unit: 0'000 Yuan, Currency: RMB) accounting for 19.18% of the total assets.

### *(ii) Explanation on higher proportion of overseas assets*

Not applicable

### 3. *Limitation of assets as at the end of the Reporting Period*

*Unit: Yuan Currency: RMB*

Item	Book value at the end of the period	Reasons for the limitation
Cash and bank	13,535,689,195	They were the time deposits of the Group for the application of gold lease, issuance of letters of credit, bank guarantees and security deposits deposited by bank acceptance notes, the required statutory and excess reserve deposited with the People's Bank of China, environment rehabilitation deposits, and pledged to secure short-term borrowings and frozen bank deposits and interest receivables
Held-for-trading financial assets	806,138,357	Financial management products with book values of RMB806,138,357 were pledged as security deposits for issuance of letters of credit and bank acceptance notes
Financing of accounts receivable	75,212,213	Bank acceptance notes with book values of RMB75,212,213 were pledged to issue bank acceptance notes
Other receivables	1,385,927,137	Futures deposits
Inventories	255,751,144	Inventories with book values of RMB31,928,014 were pledged to secure short-term borrowings; inventories with book values of RMB214,316,640 were placed as futures deposits; inventories with book values of RMB9,506,490 were held by the court due to litigation
Investment properties	155,776,760	Held by court due to litigations
Fixed assets	993,244,452	Fixed assets with book values of RMB694,437,064 were pledged to secure short-term bank borrowings; fixed assets with book values of RMB189,109,772 were pledged to secure long-term bank borrowings; fixed assets with book values of RMB109,697,616 were held by court due to litigations
Intangible assets	250,044,374	Intangible assets with book values of RMB216,932,193 were pledged to secure bank borrowings; land use right with book values of RMB33,112,181 were pledged to secure long-term bank borrowings

Item	Book value at the end of the period	Reasons for the limitation
Other non-current assets	3,953,808,724	Time deposits with maturity dates of more than one year with book values of RMB214,349,589 were pledged to issue bank guarantees to secure short-term bank borrowings of RMB200,000,000; time deposits with maturity dates of more than one year with book values of RMB2,329,168,978 were pledged to secure long-term bank borrowings of RMB2,246,000,000; time deposits with maturity dates of more than one year with book values of RMB1,392,790,157 were pledged to issue bank acceptance notes; time deposits with maturity dates of more than one year with book values of RMB17,500,000 were pledged to issue letters of guarantee

#### 4. *Material disposal of assets and equity interests*

Not applicable

#### 5. *General analysis of external investment in equity*

*Unit: 0'000 Yuan Currency: RMB*

Investment during the Reporting Period	84,720.25
Investment during the same period last year	329,304
Year-on-year increase/decrease (%)	-74.27

Name of investee	Principal activity	Share of interests in the investee (%)	Investment amount
Jiangxi Cable Co., Ltd. (江西電纜 有限責任公司)	Manufacture and sales of wires and cables; manufacture, processing and sales of machinery equipment; processing of materials of wires and cables; repairing of electrical equipment; general freight transport (which must be operated within the validity period of the road transport business permit); technical consultation, design and services of wires and cables (projects which require approvals in accordance with the laws may only commence business activities upon approvals from relevant authorities).	51	20,840.39



Name of investee	Principal activity	Share of interests in the investee (%)	Investment amount
Jiangxi Depu Mining Equipment Co., Ltd. (江西德普礦山設備有限公司)	General projects: mining machinery manufacturing, mining machinery sales, ferrous metal casting (in addition to licensed businesses, projects which are not prohibited or restricted by laws and regulations can be operated independently in accordance with the laws)	49	4,900.00
Jiangxi Copper (Hong Kong) Investment Company Limited (江西銅業(香港)投資有限公司)	Investment businesses	100	11,116.73
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 old and scrap metals), solid waste treatment, renewable resources processing, sales of non-metallic mines and products, metal waste and scrap processing, non-metallic waste and scrap processing, treatment and regeneration of sewage, soil treatment and restoration service, technical services, technical development, technical consultation, technology exchange, technology transfer, and technology promotion, landscape construction works (in addition to licensed businesses, projects which are not restricted nor prohibited by laws and regulations can be independently operated in accordance with the laws)	100	8,000.00
MCC-JCC Aynak Minerals Company Limited (中冶江銅艾娜克礦業有限公司)	Mining investment	25	1,263.13
Jiangxi Copper Products Company Limited (江西銅業銅材有限公司)	Production of copper rods and wires and further processing of related copper; sales of self-produced products. Trading of copper and copper alloy products and copper products, foreign trade operation (except for import and export of goods managed by state-owned trade), after-sales services and related technical consulting services. (Projects which require approvals in accordance with the laws may only commerce business activities upon approvals from relevant authorities.)	100	10,000.00

Name of investee	Principal activity	Share of interests in the investee (%)	Investment amount
JCC Yinshan Mining Company Limited (江西銅業集團 銀山礦業有限責 任公司)	Production and sale of non-ferrous metals, precious metals, non-metallic mineral products and extended products (excluding products prohibited for foreign investment); production and sales of construction materials; production and sales of related process equipment and spare parts; undertaking of construction projects; trading of copper, lead, zinc, sulfur and mineral products and relevant auxiliary mineral products (the import and export of the above commodities do not involve commodities subject to special regulations such as state- owned trade, import and export quota license, export quota bidding and export license); road general cargo transportation; mining technology development, consultation, exchange, transfer and promotion services; leasing of buildings and machinery equipment; sales of mining materials. (Projects which require approvals in accordance with the laws may only commerce business activities upon approvals from relevant authorities)	100	12,600.00
Minmetals Jiangxi Copper Mining Investment Company Limited (五礦江銅礦業 投資有限公司)	Mining investment	40	16,000.00

**6. Significant equity interest investment**

Not applicable

**7. Significant non-equity interest investment**

Not applicable

**8. Structured entities under the control of the Company**

Not applicable

**VI. Discussion and analysis by the Company concerning the future development of the Company**

**(I) Analysis of industry operational information**

Please refer to “4. Report of the Board – II. Industry of the Company during the Reporting Period” for further details

**(II) Landscape and trend of industry**

**1. International and domestic economic trends**

With the increase in vaccination rates in various countries and the restoration of economic endogenous driving forces, it is expected that the global economic growth and expansion will continue in 2022. However, considering factors such as partial recurrence of the COVID-19 pandemic, marginal withdrawal of stimulus policies and slow repair of supply chain bottlenecks, the overall economic growth will slow down slightly, gradually returning to the growth trend, and the economic cycle will recover from “weak recession” to “weak recovery”. Under the normalized situation of epidemic prevention and control, China’s economy continued to recover well in general. However, in the uncertain and unstable epidemic and external environment, the downward pressure on the economy increased, and there are more risks and challenges in maintaining stable economic operation. With the resonance contraction of the global economy and the decline of the substitution effect, China’s import growth will gradually slow down, but the overall growth will remain stable.

The moderate slowdown in demand coupled with the gradual recovery of supply chain bottlenecks, the rising inflation globally is expected to gradually return to normal. At the same time, the weakening of stimulus policies, the decline of inventory cycle and high prices have suppressed demand. It is expected that commodity prices will fluctuate at a high level with a slight decline in 2022.

## *2. Market situation of non-ferrous metal*

In 2022, the macro-economy will be relatively tight, resulting in certain upward pressure on the non-ferrous metal sector. In the long run, the supply growth is slow, and the global copper production cannot be effectively released in the next few years, and the risk of supply shortage increases; while demand is likely to grow at a higher rate under the dual stimulus of economic recovery and dual carbon targets, resulting in an expansion in the lack of supply and demand, which will in turn lead to an increase in copper prices. In the short to medium term, the supply side may continue to remain stable and tight, whereas the demand side may decrease due to the uncertainty in economic recovery in Europe. In 2022, it is expected that the price trend of copper will decrease slightly, and the range will fluctuate as the main line.

### ***(III) The 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, adheres to innovation-driven 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 brand new JCC with modern and beautiful face.

### ***(IV) Business plan***

On the basis of analyzing the international and domestic macroeconomic situation, the production, operation and development environment of enterprises, and taking into account the actual completion of production and operation in 2021, the development and construction of key projects and other factors, the main tasks of the Company in 2022 are: focusing on building “JCC featuring strength, science and technology, green, digital, international, and dynamic”, and following the path of steady and sound innovation-driven, investment-driven, reform-driven, integrated interaction, open-drive and green linkage development, demonstrating new achievements in industrial optimization, making new breakthroughs in scientific and technological innovation, enhancing new advantages in talent training, making new explorations in reform and opening-up, creating a new path in green development, and presenting a new look in system implementation. 2022 will be another year of work innovation, performance growth and

fruitful results. The production and operation plan target for 2022 is to produce 201,700 tonnes of copper contained in copper concentrates, 1,775,000 tonnes of copper cathode, 93 tonnes of gold, 1,183 tonnes of silver, 5 million tonnes of sulphuric acid and 1.82 million tonnes of copper processed materials, with capital expenditure (fixed assets investment) of RMB5,000,000,000. (The operation target does not represent the Company's forecast of production in 2022, and whether it can be achieved depends on various factors such as macroeconomic environment and market demand, which are subject to great uncertainties. The Group will adjust its plans in due course according to market changes).

Specific business strategies for 2022:

1. Improving performance growth. The Company will fully complete the annual production tasks, benchmark all mines against world-class mines in all dimensions, improve core technical and economic indicators, enhance comprehensive resource recovery capabilities, and achieve efficient development and intensive utilization of mineral resources. The Company will focus on strengthening the supply chain with high quality, continue to optimize the T-shaped industrial layout in East China, South China, North China and Bohai Rim, focus on accelerating the construction progress of key projects such as the phase III of Wushan Copper Mine, the 5,000 tonnes/day mine of Yinshan Mining, the energy saving and emission reduction of copper cathode of JCC Yantai Guoxing of 180,000 tonnes/year, the smelting of copper cathode of Qingyuan of 100,000 tonnes/year and Shangrao Industrial Park, so as to release investment benefits as soon as possible. The Company will seize favorable opportunities in a timely manner, and target at copper and copper smelting plants and downstream industrial companies that are more coupling with the Company's development to carry out investment and mergers and acquisitions at a suitable time. The Company will accelerate the implementation of more extensive resource development and capacity cooperation in countries such as those under the "Belt and Road Initiative" and the America.

2. Improving core competitiveness. The Company will strengthen exchanges and cooperation with research institutes, and promote the in-depth integration of industry, academia, research and application with a flexible innovative achievement sharing mechanism. By integrating advantageous resources, The Company will further integrate core elements such as technology, talents and funds required for the transformation of achievements. By using JCC Research Institute and Xinrui Technology as the links, the Company will cooperate with local governments, colleges and universities, and upstream and downstream enterprises to build and improve the transformation mechanism of “achievements + platforms + equity + operations”, and promote the precise connection between technological innovation and market application. Focusing on the difficulties, pain points and “bottleneck” technologies in the practice of production and operation, the Company will vigorously implement independent innovation and special scientific research, continuously improve the ability of innovation resources, promote the improvement of the independent intellectual property declaration mechanism, and effectively ensure the maximization of the transformation benefits of the Company’s scientific and technological achievements. The Company will accelerate the construction of “Digital Jiangxi Copper”, actively promote the digital transformation of key production factors and management factors of various industrial clusters, promote the accelerated integration of the Company’s industrial chain, supply chain and benefit chain with digital transformation, and cultivate a cross-border integrated digital ecosystem with the Company’s internal core.
  
3. Enhancing the growth of talents. The Company will implement a more active, open and effective talent policy based on the principle of satisfying own needs, and improve the quality of existing talents through mentoring, outstanding student cultivation, promotion of the position system, and internal human resources revitalization. The Company will actively explore incentive measures in line with scientific and technological innovation, further reduce the burden of scientific researchers, build a platform for scientific researchers to work and start up, fully stimulate the vitality of scientists and doctoral scientific research teams, enable scientific and technological personnel to fully enjoy the benefits of “knowledge” generated by the transformation of scientific and technological achievements, and attract more high-end scientific and technological talents with strong independent innovation capabilities to accelerate the convergence in the Company.

4. Improving the demonstration power of the industry. In accordance with the relevant national and provincial work requirements, and guided by the energy efficiency benchmark level of the industry, the Company will take the initiative to systematically focus on technological innovation, process upgrading, energy conservation and consumption reduction, comprehensive utilization of resources, etc., to promote the Company's green development, and strive to become a green, low-carbon and energy-efficient benchmark in smelting and other advantageous fields. Reducing carbon from the source: each production unit will systematically sort out and analyze the path of carbon reduction, control the source with high starting point, high standard and high quality, further expand the proportion of clean energy use, increase the implementation of industrial upgrading and comprehensive utilization of resources, accelerate the carbon control monitoring and evaluation of the whole production process, and promote the extensive use of clean production mode. Reducing carbon through technology: each production unit will take digital transformation as an opportunity to increase the application of technological innovation achievements, accelerate the innovation of green and low-carbon processes in mining, smelting, processing and other fields, and achieve energy gradient utilization and multi-coupling complementation through smart comprehensive energy planning. The Company will carefully sort out the existing production equipment and process technology, and actively promote the application of environmental-friendly and low-carbon equipment and technology. The Company will vigorously implement the integration of informatization and industrialization, give full play to the leading role of energy management, and realize systematic energy conservation and consumption reduction, fixing carbon with green features. The Company will comprehensively integrate the work linkage and technical research in low-grade ore utilization, recycling of common associated resources, comprehensive utilization of tailings, waste land sorting, ecological restoration and treatment, and disposal of hazardous waste and solid waste, actively create a replicable circular economy development model, accelerate the promotion of ecological restoration, enhance the ability to consolidate carbon, and achieve "double harvest" of environmental benefits and economic benefits.



5. Improving management control. The Company will comprehensively improve the modernization level of corporate governance system and governance capacity, build a complete governance system based on system implementation, decision-making and implementation, and process supervision, and promote the transformation of system implementation into actual governance efficiency. The Company will continue to improve its corporate governance structure and form a corporate governance structure with specific duties, responsibilities, coordinated operation and effective checks and balances. The Company will continue to steadily promote the normalized operation of the Company's large-scale risk control system, comprehensively promote risk management and control with all employees and all systems, strictly implement the "three lines of defense" of the large-scale risk control system, and effectively prevent risks in promoting reform and development.

***(V) 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.



## *2. Exchange rate fluctuation risks*

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

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

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

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

#### *4. Risk 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 architecture industries. The development level and growth rate during different periods are imbalanced, and the demand for copper is also different, which will have a cyclical impact on the future business development of the Company; (3) with the continuous improvement of research and production technology, the types and performance of relevant substitutes in the product application industry of the Company will continue to improve, which will have a direct impact on the product demand of the Company.

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

5. *Environmental protection risk*

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

6. *Risk from uncertainties*

In 2021, major overseas economies were still affected by COVID-19. Despite the vaccination rates of every country had increased gradually in the second half of the year, and the economies gradually entered into recovery, the control of the pandemic was still relatively loose, thus, the pandemic in certain areas remained in an uncontrollable state. This had resulted in the inability of overseas imported cases to be cut off, as well as the scattered outbreak of local pandemic in China, which in turn had caused serious obstacles to normal economic production and operation activities. Moreover, the third round of pandemic peak brought about by the emergence of Omicron has cast another layer of haze on the recovery and growth of the economy, and economic recovery remains uncertain.

The Group shall conscientiously implement the work deployment of the CPC Central Committee, the State Council and the Jiangxi Provincial Government on resolutely winning the prevention and control of the COVID-19 pandemic, and will continue to pay close attention to the development of the pandemic and actively respond to its possible impact on the Company's financial position and operating results.

***(VI) 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

**5 CHANGES IN SHAREHOLDINGS AND REMUNERATIONS OF EXISTING DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT AND THOSE DURING THE REPORTING PERIOD**

*Unit: Share*

Name	Position	Sex	Age	Commencement date of term of office	Termination date of term of office	Opening shares held	Closing shares held	Change in increase or decrease in shares during the year	Reasons for change	Total remuneration payable by the Company during the Reporting Period (before tax) (RMB'000)	Whether received remuneration from connected parties of the Company
Zheng Gaoqing	Chairman	Male	56	09 September 2020		0	0	/	/	129.79	No
	General Manager			18 January 2019							
	Executive Director			22 March 2019							
Wang Bo	Executive Director	Male	58	18 July 2016		0	0	/	/	129.79	No
Liu Fangyun	Executive Director	Male	56	10 June 2020		0	0	/	/	129.79	No
	Deputy general manager			13 November 2019							
Yu Tong	Chief financial officer	Male	50	28 August 2018		0	0	/	/	129.79	No
	Executive Director			15 January 2019							
Gao Jian-min	Executive Director	Male	62	24 January 1997		0	0	/	/	25	No
Liang Qing	Executive Director	Male	68	12 June 2002		0	0	/	/	25	No
Liu Erh Fei	Independent non-executive Director	Male	63	18 July 2016		0	0	/	/	15	No
Tu Shutian	Independent non-executive Director (resigned)	Male	60	12 January 2015	8 June 2021	0	0	/	/	7.5	No
Liu Xike	Independent non-executive Director	Male	48	12 June 2018		0	0	/	/	15	No
Zhu Xingwen	Independent non-executive Director	Male	60	15 January 2019		0	0	/	/	15	No
Wang Feng	Independent non-executive Director	Male	45	8 June 2021		0	0	/	/	7.5	No
Guan Yongmin	Supervisor (chairman of the Supervisory Committee)	Male	58	10 June 2020		0	0	/	/	93.19	No
Wu Donghua	Supervisor	Male	59	10 June 2020		0	0	/	/	93.19	No
Zhang Jianhua	Supervisor	Male	57	18 July 2016		0	0	/	/	93.19	No
Zeng Min	Supervisor (resigned)	Male	57	21 March 2016	27 January 2022	0	0	/	/	93.19	No
Zhang Kui	Supervisor (resigned)	Male	59	29 March 2017	27 January 2022	0	0	/	/	93.19	No
Zhao Bicheng	Supervisor	Male	33	27 January 2022		0	0	/	/	/	No
Gong Bin	Supervisor	Female	44	27 January 2022		0	0	/	/	/	No

*Unit: Share*

Name	Position	Sex	Age	Commencement date of term of office	Termination date of term of office	Opening shares held	Closing shares held	Change in increase or decrease in shares during the year	Reasons for change	Total remuneration payable by the Company during the Reporting Period (before tax) (RMB'000)	Whether received remuneration from connected parties of the Company
Liao Xingeng	Deputy general manager	Male	55	18 July 2018		0	0	/	/	99.29	No
Chen Yunian	Deputy general manager	Male	58	23 October 2017		0	0	/	/	99.29	No
Jiang Wenbo	Deputy general manager	Male	53	18 March 2021		0	0	/	/	74.47	No
Tu Dongyang	Deputy general manager	Male	47	18 March 2021		0	0	/	/	74.47	No
	Secretary to the Board			28 May 2021		0	0	/	/		No
Peng Xihong	Chief legal officer	Male	51	28 May 2021		0	0	/	/	57.92	No
Tung Tat Chiu Michael	Company secretary	Male	59	24 January 1997		0	0	/	/	5	No
Lin Jinliang	Chief legal officer (resigned)	Male	57	30 August 2010	28 May 2021	0	0	/	/	24.82	No
Total		/	/	/	/	0	0	/	/	1,530.37	/

## 6 SIGNIFICANT EVENTS

### 6.1 Model Code for Securities Transactions by Directors

During the Reporting Period, the Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (“**Model Code**”) contained in Appendix 10 to the Rules Governing the Listing of Securities (“**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). Having made specific enquiries to all of its Directors and Supervisors, the Company confirms that the Directors and Supervisors have complied with the requirements of the Model Code during the Reporting Period.

### 6.2 Code on Corporate Governance Practices

The Company strives to maintain and establish quality corporate governance.

To the knowledge of the Board, during the Reporting Period, the Company has been in full compliance with all the code provisions under the Corporate Governance Code effective in 2021 (the “**Code**”) as set out in Appendix 14 to the Listing Rules, with the exception of the following deviations:

During the Reporting Period, the legal action which the Directors may face is covered in the internal control and risk management of the Company. As the Company considers that no additional risk is likely to exist, insurance arrangements in respect of legal action against the Directors have not been made as required under code provision A.1.8 of the Code (which has been renumbered as code provision C.1.8 with effect from 1 January 2022).

Under code provision A.2.1 of the Code (which has been renumbered as code provision C.2.1 with effect from 1 January 2022), the roles of chairman and chief executive should be separate and should not be performed by the same individual. Since the cessation of Mr. Long Ziping as the chairman of the Company (the “**Chairman**”) on 9 September 2020, the role of the Chairman has been taken up by Mr. Zheng Gaoqing, the general manager of the Company and the responsibilities of the general manager were shared by each of the deputy general managers of the Company within the scope of their authorities (where necessary).

### **6.3 Purchase, sale or redemption of the Company’s listed securities**

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

### **6.4 Analysis and explanation by the Company regarding the reasons for and impacts brought by the changes in accounting policies and accounting estimates**

Not applicable

### **6.5 Appointment and Removal of Accounting Firms**

*Unit: Yuan Currency: RMB*

#### **Current auditors**

Name of domestic auditor	Ernst & Young Hua Ming LLP
Remuneration for domestic auditor	6,400,000
Years of audit services provided by the domestic auditor	4 years
Name of overseas auditor	Ernst & Young
Remuneration for overseas auditor	7,000,000
Years of audit services provided by the overseas auditor	4 years

	Name	Remuneration
Auditor for internal control	Ernst & Young Hua Ming LLP	1,450,000

**1. *Appointment and removal of accounting firms***

Not applicable

**2. *Explanation on change of the accounting firm during the audit period***

Not applicable

**6.6 Matters Relating to Bankruptcy and Restructuring**

Not applicable

**6.7 Material Litigation and Arbitration**

**1. *Litigation and arbitration disclosed in extraordinary announcements and without subsequent development***

**Brief description and type of litigation and arbitration**

**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 (case of contract disputes)

The announcement of the Company dated 12 June 2019

Litigation filed by Jiangxi Copper International Trading Co., Ltd. (江銅國際貿易有限公司), a subsidiary held as to 59.05% by the Company, against Shanghai Eagle Investment Group Co., Ltd. (上海鷹悅投資集團有限公司) and its guarantors (case of contract disputes)

The announcement of the Company dated 21 June 2019



## 2. Litigation and arbitration not disclosed in extraordinary announcements or with subsequent development

Unit: Yuan Currency: RMB

During the Reporting Period:

Plaintiff (applicant)	Defendant (respondent)	Parties with several and joint liability	Types of litigation and arbitration	Basic information of litigation (arbitration)	Amount involved in litigation (arbitration)	Whether estimated liability arose from the litigation (arbitration) and amount	Current status of the litigation (arbitration)	Results of trial of litigation (arbitration) and effects thereof	Enforcement of litigation (arbitration) judgments
Shanghai Jiangxi Copper Trading Company Limited (上海江錫營銷有限公司)	Shandong Xinhui Copper Materials Co., Ltd. (山東鑫匯銅材有限公司)	Yantai Jiaheng New Materials Co., Ltd. (煙台佳恒新材料有限公司) ("Jiaheng New Materials"), Shandong Zhongjia Electronic Technology Co., Ltd. (山東中佳電子科技有限公司) ("Zhongjia Electronic"), Zhaoyuan Jinshan Trading Co., Ltd. (招遠金山商貿有限公司) ("Jinshan Trading"), Zhaoyuan Golden Seed Education Consulting Co., Ltd. (招遠市金種子教育諮詢有限公司) ("Golden Seed Education"), Zhaoyuan Jiaheng Culture & Media Co., Ltd. (招遠市佳恒文化傳媒有限公司) ("Jiaheng Culture"), Li Jiating (李家亭), Sun Shuhui (孫淑惠), Yantai Shanshangli Gold Mine Co., Ltd. (煙台山上裏金礦有限公司) ("Shanshangli Gold Mine"), Yantai Jiaheng Copper Co., Ltd. (煙台佳恒銅業有限公司)	First hearing	For details, please refer to the Announcement on Litigation of a Subsidiary of Jiangxi Copper Co., Ltd. (Announcement No.: Lin 2019-037) disclosed in Shanghai Securities News and the website of Shanghai Stock Exchange at www.sse.com.cn on 31 July 2019	RMB1,179,061,729.71	No	The first hearing was completed	Shanghai JCT received the civil judgment from Shanghai No. 1 Intermediate People's Court (2019) Hu 01 Min Chu No. 206) (《民事判決書》(2019)滬01民初206號)). The details of the judgement are as follows: (1) It was confirmed that Shanghai JCT, the plaintiff, had a right to the goods of RMB999,381,633.58, default payment of RMB179,330,096.13 and legal fees of RMB350,000 against defendant Xinhui Copper Materials; If Shanghai JCT, the plaintiff, has not received the settlement for the right held in the judgement mentioned in (1) above, Shanghai JCT, the plaintiff, may (2) agree with defendant Xinhui Copper Materials to receive a prioritised compensation of the discounted amount of its mortgaged machinery and equipment or the proceeds through auctioning or disposal of such collaterals, within the scope of the maximum claim amount of RMB385,935,525.04; (3) agree with defendant Jiaheng New Materials to receive a prioritised compensation of the discounted amount of its mortgaged machinery and equipment or the proceeds through auctioning or disposal of such collaterals, within the scope of the maximum claim amount of RMB109,272,827.28; (4) agree with defendant Zhongjia Electronic to receive a prioritised compensation of the discounted amount of its mortgaged machinery and equipment or the proceeds through auctioning or disposal of such collaterals, within the scope of the maximum claim amount of RMB70 million;	The first hearing was completed but enforcement has not begun



Plaintiff (applicant)	Defendant (respondent)	Types of litigation and arbitration	Whether estimated liability arose from the litigation (arbitration) and amount	Enforcement of litigation (arbitration) judgments
Plaintiff (applicant)	Defendant (respondent)	Parties with several and joint liability arbitration	Current status of the litigation (arbitration) Results of trial of litigation (arbitration) and effects thereof	
		<p data-bbox="430 1142 718 1456">Amount involved in litigation (arbitration)</p> <p data-bbox="430 147 718 560">Basic information of litigation (arbitration)</p>	<p data-bbox="430 147 718 560">Whether estimated liability arose from the litigation (arbitration) and amount</p>	<p data-bbox="430 147 718 560">Enforcement of litigation (arbitration) judgments</p>
		<p data-bbox="750 1142 1037 1456">Amount involved in litigation (arbitration)</p> <p data-bbox="750 147 1037 560">Basic information of litigation (arbitration)</p>	<p data-bbox="750 147 1037 560">Whether estimated liability arose from the litigation (arbitration) and amount</p>	<p data-bbox="750 147 1037 560">Enforcement of litigation (arbitration) judgments</p>
		<p data-bbox="1069 1142 1356 1456">Amount involved in litigation (arbitration)</p> <p data-bbox="1069 147 1356 560">Basic information of litigation (arbitration)</p>	<p data-bbox="1069 147 1356 560">Whether estimated liability arose from the litigation (arbitration) and amount</p>	<p data-bbox="1069 147 1356 560">Enforcement of litigation (arbitration) judgments</p>
		<p data-bbox="1388 1142 1492 1456">Amount involved in litigation (arbitration)</p> <p data-bbox="1388 147 1492 560">Basic information of litigation (arbitration)</p>	<p data-bbox="1388 147 1492 560">Whether estimated liability arose from the litigation (arbitration) and amount</p>	<p data-bbox="1388 147 1492 560">Enforcement of litigation (arbitration) judgments</p>
		<p data-bbox="1516 1142 1564 1456">Amount involved in litigation (arbitration)</p> <p data-bbox="1516 147 1564 560">Basic information of litigation (arbitration)</p>	<p data-bbox="1516 147 1564 560">Whether estimated liability arose from the litigation (arbitration) and amount</p>	<p data-bbox="1516 147 1564 560">Enforcement of litigation (arbitration) judgments</p>

(5) agree with defendant Zhongjia Electronic to receive a prioritised compensation of the discounted mortgaged property ownership and the corresponding land use rights or the proceeds through auctioning or disposal of such mortgaged properties, within the scope of the maximum claim amount of RMB270 million; (6) agree with defendant Jinshan Trading to receive a prioritised compensation of the discounted mortgaged property or the proceeds through auctioning or disposal of such mortgaged properties, within the scope of the maximum claim amount of RMB314,380,000; (7) agree with defendant Golden Seed Education to receive a prioritised compensation of the discounted mortgaged property or the proceeds through auctioning or disposal of such mortgaged properties, within the scope of the maximum claim amount of RMB100 million; (8) agree with defendant Jiaheng Culture to receive a prioritised compensation of the discounted mortgaged property or the proceeds through auctioning or disposal of such mortgaged properties, within the scope of the maximum claim amount of RMB150 million; (9) defendants Jiaheng New Materials, Li Jiating, Sun Shuhui, Shanshangli Gold Mine and Jiaheng Copper shall bear the joint liability guarantee in respect of obligations of the judgement mentioned in (1) above against defendant Xinhui Copper Materials within the scope of the maximum claim amount of RMB1.5 billion; (10) the claim for the property preservation and insurance fees of RMB664,202.48 initiated by Shanghai JCT, the plaintiff, was rejected.

Plaintiff (applicant)	Defendant (respondent)	Parties with several and joint liability	Types of litigation and arbitration	Basic information of litigation (arbitration)	Amount involved in litigation (arbitration)	Whether estimated liability arose from the litigation (arbitration) and amount	Current status of the litigation (arbitration)	Results of trial of litigation (arbitration) and effects thereof	Enforcement of litigation (arbitration) judgments
Shanghai ICT	Shanghai Zhimayuanhe Industrial Co., Ltd. (上海智脈源和實業有限公司) (“ <b>Zhimai Company</b> ”)	Qi Jianping, Jin Lei, Shi Huixia, Zhejiang Honglei Southeast Real Estate Development Co., Ltd. (浙江宏磊東南房地產開發有限公司) (“ <b>Zhejiang Honglei Company</b> ”), Yingnian City Luzhou Real Estate Co., Ltd. (鷹潭市綠洲置業有限公司) (“ <b>Luzhou Company</b> ”), Zunyi Honglei Real Estate Development Co., Ltd. (遵義宏磊房地產開發有限公司) (“ <b>Zunyi Honglei Company</b> ”)	First hearing	Please refer to the Announcement on the Follow-up Progress of the Litigation of a Subsidiary of Jiangxi Copper Co., Ltd. (Announcement No.: Lin 2021-027) disclosed in Shanghai Securities News and the website of Shanghai Stock Exchange at <a href="http://www.sse.com.cn">www.sse.com.cn</a> on 10 July 2021	RMB18,903,998.99	No	The first hearing was completed	Shanghai ICT received the civil judgement from Shanghai No. 1 Intermediate People’s Court (2019) Hu 01 Min Chu No. 296) 《民事判決書》(2019)滬01民初296號). The details of the judgement are as follows: (1) The defendant Zhimai Company shall pay Shanghai ICT, the plaintiff, the total amount of goods of RMB77,983,474.74 within 10 days from the effective date of the judgement; (2) the defendant Zhimai Company shall pay default payment for late payment to Shanghai ICT, the plaintiff, within 10 days from the effective date of the judgement, among which, the total interest payable on the amount of goods from May 2014 to 30 June 2017 shall be RMB103,845,524.25; using RMB77,983,474.74 as the base amount, from 1 July 2017 to 19 August 2018, interest shall be calculated at 1.2 times of the LPR, and calculated at 1.2 times of the LPR from 20 August 2018 to the date of actual payment; (3) the defendant Zhimai Company shall pay RMB75,000 legal fees to Shanghai ICT, the plaintiff, within 10 days from the effective date of the judgement; if Zhimai Company fails to perform the payment obligations and pay the litigation costs confirmed in judgements 1 to 3 above, Shanghai ICT, the plaintiff, may: (4) agree with the defendant Qi Jianping to receive a prioritised compensation of the discounted mortgaged properties of her housings ownerships and corresponding land use rights or the proceeds through auctioning and disposal of such mortgaged properties, within the scope of the maximum claim amount of RMB226,720,000;	

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

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

Plaintiff (applicant)	Defendant (respondent)	Parties with several and joint liability	Types of litigation and arbitration	Basic information of litigation (arbitration)	Amount involved in litigation (arbitration)	Whether estimated liability arose from the litigation (arbitration) and amount	Current status of the litigation (arbitration)	Enforcement of litigation (arbitration) judgments
Shanghai ICT	Zhimai Company	Qi Jianping, Jin Lei, Shi Huixia, Zhejiang Honglei, Luzhou Company, Zunyi Honglei Company, Zhejiang Hongtian Copper Company Limited (浙江宏天銅業有限公司) ("Hongtian Company")	First hearing	Please refer to the Announcement on the Follow-up Progress of the Litigation of a Subsidiary of Jiangxi Copper Co., Ltd. (Announcement No.: Lin 2021-028) disclosed in Shanghai Securities News and the website of Shanghai Stock Exchange at www.sse.com.cn on 10 July 2021	RMB200,554,926.81	No	The first hearing was completed	Shanghai ICT received the civil judgement from Shanghai No. 1 Intermediate People's Court ((2019) Hu 01 Min Chu No. 295) 《民事判決書》((2019)滬01民初295號)). The details of the judgement are as follows: (1) the defendant Zhimai Company shall pay Shanghai JCT, the plaintiff, the total amount of goods of RMB191,119,357.93 within 10 days from the effective date of the judgement; (2) the defendant Zhimai Company shall pay default payment for late payment to Shanghai JCT, the plaintiff, within 10 days from the effective date of the judgement, among which, the total interest payable on the amount of goods from 1 November 2016 to 30 June 2017 shall be RMB9,160,568.88; using RMB186,449,444.86 as the base amount, from 1 July 2017 to 19 August 2018, the interest shall be calculated at 1.2 times of the LPR, and calculated at 1.2 times of the LPR from 20 August 2018 to the date of actual payment; using RMB4,669,913.07 as the base amount, from 11 September 2017 to 19 August 2018, the interest shall be calculated at 1.2 times of the LPR, and calculated at 1.2 times of the LPR from 20 August 2018 to the date of actual payment;

Whether estimated liability arose from the litigation (arbitration) and amount	Current status of the litigation (arbitration)	Enforcement of litigation (arbitration) judgments
Plaintiff (applicant)	Defendant (respondent)	Results of trial of litigation (arbitration) and effects thereof
Types of litigation and arbitration	Basic information of litigation (arbitration)	Amount involved in litigation (arbitration)
	Parties with several and joint liability	
		<p>(3) the defendant Zhimai Company shall pay RMB75,000 legal fees to Shanghai JCT, the plaintiff, within 10 days from the effective date of the judgement; if the defendant Zhimai Company fails to perform the payment obligations and pay the litigation costs confirmed in judgements 1 to 3 above, Shanghai JCT, the plaintiff, may: (4) agree with the defendant Qi Jianping to receive a prioritised compensation of the discounted mortgaged properties of her housing ownerships and corresponding land use rights or the proceeds through auctioning and disposal of such mortgaged properties, within the scope of the maximum claim amount of RMB226,720,000; (5) agree with the defendant Jin Lei to receive a prioritised compensation of the discounted mortgaged properties of his housing ownerships and corresponding land use rights or the proceeds through auctioning or disposal of such mortgaged properties, within the scope of the maximum claim amount of RMB56,170,000; (6) agree with the defendant Shi Huixia to receive a prioritised compensation of the discounted mortgaged properties of her housing ownerships and corresponding land use rights or the proceeds through auctioning or disposal of such mortgaged properties, within the scope of the maximum claim amount of RMB23,250,000; (7) agree with the defendant Zhejiang Honglei Company to receive a prioritised compensation of the discounted relevant equity interests or the proceeds through auctioning or disposal of such pledged interests, within the scope of the maximum claim amount of RMB45,000,000; (8) agree with the defendant Hongtuan Company to receive a prioritised compensation of the discounted relevant equity interests or the proceeds through auctioning or disposal of such pledged interests, within the scope of the maximum claim amount of RMB87,000,000; (9) the remaining claims initiated by Shanghai JCT, the plaintiff, were rejected.</p>

Plaintiff (applicant)	Defendant (respondent)	Parties with several and joint liability	Types of litigation and arbitration	Basic information of litigation (arbitration)	Amount involved in litigation (arbitration)	Whether estimated liability arose from the litigation (arbitration) and amount	Current status of the litigation (arbitration)	Results of trial of litigation (arbitration) and effects thereof	Enforcement of litigation (arbitration) judgments
Shanghai ICT	Zhejiang Hongsheng-long New Material Technology Co., Ltd.	Zhejiang Tabheng New Material Technology Co., Ltd., Zhejiang Honglei Company, Zhejiang Honglei Holding Group Co., Ltd., Zhejiang Zhujie Honglei Building Materials Factory, Jinlei, Shanggong Logistics Metal Storage (Shanghai) Co., Ltd.	Second hearing	For details, please refer to the Announcement on Litigation of a Subsidiary of Jiangxi Copper Co., Ltd. (Announcement No.: Lin 2019-037) disclosed on Shanghai Securities News and the website of Shanghai Stock Exchange at www.sse.com.cn on 31 July 2019; Announcement on the Follow-up Progress of the Litigation of a Subsidiary of Jiangxi Copper Co., Ltd. (Announcement No.: Lin 2021-038) disclosed on Shanghai Securities News and the website of Shanghai Stock Exchange (www.sse.com.cn) on 16 October 2021	RMB46,829,110.82	No	Second hearing concluded	The Shanghai High People's Court filed the case on 3 February 2021 and has been settled for the second hearing. Recently, Shanghai ICT received the judgment from the Shanghai High People's Court (2021) Hu Min Zhong No. 54 (2021) 滬民終54號). The details of the judgment are as follows: The Shanghai High People's Court rejected the appeal and upheld the first hearing judgment.	

**3. *Other explanations***

Not applicable

**6.8 Suspected violation of laws and regulations, punishment on and rectification of the Company and its Directors, Supervisors, senior management, controlling shareholder, de facto controller**

Not applicable

**6.9 Explanation on the credit conditions of the Company, its controlling shareholders and de facto controllers during the Reporting Period**

Not applicable

**6.10 Share Option Scheme, Employee Shareholding Plan or Other Employee Incentives and Their Effects**

Not applicable

## 6.11 Information on profit distribution and payment of final dividend

The Board hereby recommends that after the approval of the shareholders at the forthcoming 2021 annual general meeting of the Company (the “AGM”):

- (1) appropriate 10% of the profit after tax calculated under the PRC GAAP to the statutory surplus reserve;
- (2) distribute a final dividend of RMB5 per 10 shares (tax inclusive) for the year ended 31 December 2021 (2020: RMB0.10 per share) to all Shareholders based on the total issued share capital of 3,462,729,405 shares as at 31 December 2021, amounting to approximately RMB1,731,364,703, accounting for 30.72% of the net profit attributable to shareholders of the listed company for the year of 2021. The remaining undistributed profits are carried down to the next year;
- (3) the A shares 2021 final dividend will be declared and paid in Renminbi, and the H shares 2021 final dividend will be declared in Renminbi and paid in Hong Kong dollars; and
- (4) The profit distribution will not carry out transfer of capital reserve to share capital or issue of bonus shares.

Subject to approval at the AGM, the Company expects to distribute the 2021 final dividend on Friday, 29 July 2022. Further announcement relating to the detailed arrangement of the distribution of the 2021 final dividend will be made by the Company in due course.



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

Pursuant to the “Enterprise Income Tax Law of the PRC” (《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 the Issues concerning Withholding the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to H Share Holders Which are Overseas non-resident Enterprises”(《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 corporate income tax at the rate of 10% before distributing the final dividend to non-resident enterprise shareholders as appearing on the H shares register of members of the Company. Any shares registered in the names of non-individual registered shareholders (including HKSCC Nominees Limited, other corporate nominees, trustees or other entities and organizations) will be treated as being held by non-resident enterprise shareholder and will therefore be subject to the withholding of the enterprise income tax.

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

Pursuant to the State Administration of Taxation Notice on Matters 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)) dated 28 June 2011, and the letter entitled “Tax arrangements on dividends paid to Hong Kong residents by Mainland companies” dated 4 July 2011 issued by the Stock Exchange, the Company is required to withhold and pay the individual income tax in respect of the 2021 final dividends paid 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 2021 final dividends is to be distributed to the holders of H shares whose names appear on the register of members of the Company as at 30 June 2022, the Company will base on the tax rate of 10% to withhold 10% of the dividend to be distributed to the Individual H Shareholders as individual income tax. For non-resident enterprise holders of H shares, the Company will withhold 10% of the dividend as enterprise income tax according to the relevant tax regulations in line with its previous practice.

If shareholders’ names appear on the H shares register of members, please refer to nominees or trust organization for details of the relevant arrangements. The Company has no obligation and shall not be responsible for confirming the identities of the shareholders. The Company will strictly comply with the laws, and withhold and pay the enterprise income tax and individual income tax on behalf of the relevant shareholders based on the H shares register of members of the Company as of 30 June 2022. The Company will not accept any requests relating to any delay in confirming the identity of the shareholders or any uncertainties in the identity of the shareholders.

Pursuant to the Notice on the Tax Policies Related to 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 domestic 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 the investors. For dividends received by domestic 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 domestic individual investors. The company of such H shares will not withhold and pay the income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax themselves.

Pursuant to the Notice on the Tax Policies for Shenzhen-Hong Kong Stock Connect Pilot Program (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 domestic 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 the investors. For dividends received by domestic 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 domestic individual investors. The company of such H shares will not withhold and pay the income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax themselves.

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

### ***Closure of Register of Members***

In order to determine the identity of the shareholders entitled to attend and vote at the AGM, the register of members of the Company will be closed from Thursday, 9 June 2022 to Friday, 17 June 2022 (both dates inclusive). All transfer documents accompanied by the relevant share certificates, must be lodged with the H Share Registrar of the Company, Hong Kong Registrars Limited, whose address is at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on Wednesday, 8 June 2022.

In order to determine the identity of the shareholders entitled to receive the final dividend of the Company for the year ended 31 December 2021, the register of members of the Company will be closed from Saturday, 25 June 2022 to Thursday, 30 June 2022 (both dates inclusive). All transfer documents accompanied by the relevant share certificates must be lodged with the H Share Registrar of the Company, Hong Kong Registrars Limited, whose address is at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on Friday, 24 June 2022.

## **6.12 Detailed Results Announcement**

The annual report for 2021 containing all relevant information required by Appendix 16 to the Listing Rules will be despatched to shareholders and be published on the websites of the Stock Exchange (<https://www.hkexnews.hk>) and the Company (<http://www.jxcc.com>) in due course.

## **7 CHANGES IN SHARE CAPITAL AND SHAREHOLDERS**

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

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

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

Not applicable

### **(III) The Number of Shareholders and Shareholdings**

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

Total number of ordinary shareholders at the end of the Reporting Period	178,349
Total number of ordinary shareholders at the end of the previous month before the disclosure of the annual results	163,987
Total number of shareholders of preference shares with voting rights restored at the end of the Reporting Period	0
Total number of shareholders of preference shares with voting rights restored at the end of last month before the disclosure of the annual results	0

**(2) Particulars of shareholdings of the top ten shareholders and the top ten holders of tradable shares (or holders of shares not subject to lock-up) at the end of the Reporting Period**

*Particulars of shareholding of the top ten shareholders*

*Unit: Share*

Name of shareholder (full name)	Increase/ decrease during the Reporting Period	Number of shares held at the end of the Reporting Period	Percentage (%)	Number of shares held subject to lock-up	Situation of pledge, mark or freeze		Nature of shareholder
					Share status	Number	
Jiangxi Copper Corporation Limited (“JCC”)	24,713,500	1,493,617,610	43.13	0	Nil	0	State-owned legal person
HKSCC Nominees Limited (“HKSCC”)	-1,120,908	1,073,524,014	31.00	0	Nil	0	Unknown
China Securities Finance Corporation Limited	0	103,719,909	3.00	0	Nil	0	Unknown
Hong Kong Securities Clearing Company Limited	-3,097,863	30,884,480	0.89	0	Nil	0	Unknown
Yang Weiyu	4,478,124	7,705,551	0.22	0	Nil	0	Unknown
Hong Wenhui	-510,818	4,813,812	0.12	0	Nil	0	Unknown
Liu Ding	0	4,170,451	0.12	0	Nil	0	Unknown
Zhang Shulin	710,800	3,565,300	0.10	0	Nil	0	Unknown
Hua Zhongfu	3,503,700	3,503,700	0.10	0	Nil	0	Unknown
China Merchants Securities Co Ltd	-631,626	3,493,508	0.10	0	Nil	0	Unknown

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

*Unit: Share*

Name of shareholder	Number of tradable shares held not subject to lock-up	Class and number of shares	
		Class	Number
JCC	1,493,617,610	Ordinary shares denominated in RMB (A shares)	1,185,160,610
		Overseas listed foreign shares (H shares)	308,457,000
HKSCC	1,073,524,014	Overseas listed foreign shares (H shares)	1,073,524,014
China Securities Finance Corporation Limited	103,719,909	Ordinary shares denominated in RMB (A shares)	103,719,909
Hong Kong Securities Clearing Company Limited	30,884,480	Ordinary shares denominated in RMB (A shares)	30,884,480
Yang Weiyu	7,705,551	Ordinary shares denominated in RMB (A shares)	7,705,551
Hong Wenhui	4,813,812	Ordinary shares denominated in RMB (A shares)	4,813,812
Liu Ding	4,170,451	Ordinary shares denominated in RMB (A shares)	4,170,451
Zhang Shulin	3,565,300	Ordinary shares denominated in RMB (A shares)	3,565,300
Hua Zhongfu	3,503,700	Ordinary shares denominated in RMB (A shares)	3,503,700
China Merchants Securities Co Ltd	3,493,508	Ordinary shares denominated in RMB (A shares)	3,493,508
The explanation on special repurchase accounts of top ten shareholders	Nil		
The explanation on entrusting/being entrusted voting rights or waiving voting rights of the aforesaid shareholders	Nil		
The explanation on the connected relationship or parties acting in concert among the aforesaid shareholders	Nil		
The explanation on preferred shareholders with restored voting rights and the number of shares held	Nil		

- Notes:*
1. HKSCC is a member of the Central Clearing and Settlement System, providing registration and custodial services for customers. HKSCC held a total of 1,073,524,014 H shares of the Company in the capacity of nominee on behalf of a number of customers, representing approximately 31.00% of the total issued share capital of the Company.
  2. The 308,457,000 H shares held by JCC have been registered with HKSCC and were separately listed from the other shares held by HKSCC when disclosed in the table above. Taking into account the H shares held by JCC, HKSCC held 1,381,198,014 shares as nominee, representing approximately 39.91% of the issued share capital of the Company.
  3. During the Reporting Period, JCC, the controlling shareholder, commenced securities lending business. The increase in number of shares held by JCC in the above table during the Reporting Period was in fact the number of shares returned from the securities lending.
  4. As at 31 December 2021, the net securities lending from JCC was 20,318,500 A shares. If the number of securities lending is included, the actual holding of JCC is 1,513,936,110 shares, representing approximately 43.72% of the total issued share capital.

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

Not applicable

**(3) *Strategic investors or general legal persons who become the top ten shareholders due to the placement of new shares***

Not applicable

**(4) *Particulars of controlling shareholder and the ultimate controlling party***

The controlling shareholder of the Company is JCC, and the ultimate controlling party is the State-owned Assets Supervision and Administration Commission of Jiangxi Province.

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

As at 31 December 2021, the interests or short positions of the shareholders, other than Directors, Supervisors and chief executive 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 Securities and Futures Ordinance (“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 share capital (%)
JCC	A shares	Beneficial owner	1,205,479,110	58.09(L)	34.81(L)
JCC (Note 2)	H shares	Beneficial owner	308,457,000(L)	22.23(L)	8.90(L)
Brown Brothers Harriman & Co.	H shares	Approved lending agent	86,806,493(L) 86,806,493(P)	6.26(L) 6.26(P)	2.50(L) 2.50(P)

Note 1: “L” means long positions in the shares and “P” means shares available for lending in the shares.

Note 2: The 308,457,000 H shares held by JCC were registered with HKSCC. During the Reporting Period, JCC commenced its securities lending business, and the above table includes the 20,318,500 A shares lent.

Save as disclosed above, pursuant to the register required to be kept under Section 336 of SFO or otherwise as 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 2021.



## 8 BASIC INFORMATION OF CORPORATE BONDS

Unit: 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 (if any) to ensure the suitability of investors	Trading mechanism	Whether there is any risk of termination of listing and trading of the shares
2017 Corporate Bonds (First Tranche) publicly issued to qualified investors by Jiangxi Copper Company Limited	17JCC01	143304	20 September 2017	21 September 2017	21 September 2022	0	4.74	The interest is payable on a yearly basis and the principal is payable upon maturity.	Shanghai Stock Exchange	Nil	Nil	No
2021 Corporate Bonds (First Tranche) publicly issued to professional investors by Jiangxi Copper Company Limited	21JCC01	185088	3 December 2021	6 December 2021	6 December 2023	0	2.83	The interest is payable on a yearly basis and the principal is payable upon maturity.	Shanghai Stock Exchange	Nil	Nil	No

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

Not applicable

Overdue bonds

Not applicable

Payments of interest of the bonds during the Reporting Period

<b>Name of bonds</b>	<b>Explanation of payments of interest</b>
2017 Corporate Bonds (First Tranche) publicly issued to qualified investors by Jiangxi Copper Company Limited	On 23 September 2020, the Company paid interest of RMB47.40 (tax inclusive) for each "17 JCC 01" with a nominal value of RMB1,000 in accordance with the Announcement on the Coupon Rate of 2017 Corporate Bonds (First Tranche) publicly issued to qualified investors by Jiangxi Copper Company Limited". Interest was paid on 23 September 2020.

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

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

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

- (I) The proceeds shall be used in strict accordance with its purpose. The issuer will ensure that the proceeds of the bonds are used in accordance with the resolutions of the Board and in accordance with the purposes disclosed in the prospectus. The relevant business departments will strictly inspect the use of proceeds to ensure the smooth operation of the investment, utilization and audit of the proceeds.
- (II) Designate special person to be responsible for the repayment of the bonds. The issuer will designate the finance department to take the lead in coordinating the repayment of the bonds, and arrange the payment of the principal and interest of the bonds in the annual financial budget through other relevant departments of the Company to ensure the timely repayment of the principal and interest, so as to ensure the interests of bondholders. Within fifteen (15) business days prior to the repayment date of interest and principal, the issuer will designate a special person to be responsible for the repayment of the interest and principal to ensure its full repayment.
- (III) Make good use of the role of bond trustee. The bond trustee system has been introduced for the bonds. The bond trustee will supervise the relevant situation of the issuer on behalf of the bondholders, and take all necessary and feasible measures on behalf of the bondholders when the principal and interest of the bonds cannot be repaid on time, to protect the legitimate interests of bondholders. The issuer will cooperate with the bond trustee to perform its duties in strict accordance with the provisions of the Agreement on Bond Trustee Management, regularly report the issuer's commitment to the bond trustee, and promptly notify the bond trustee when the issuer may default on the bonds, so as to facilitate the bond trustee to take necessary measures in accordance with the Agreement on Bond Trustee Management in a timely manner. For the rights and obligations of the bond trustee, please refer to "Section X. Bond Trustee" in the prospectus.
- (IV) Formulate the rules for bondholders meeting. The issuer and the bond trustee have jointly formulated the Rules for Bondholders Meeting in accordance with the requirements of the Administrative Measures on the Issuance and Transaction of Corporate Bonds, stipulating the scope, procedures and other important matters for bondholders to exercise their rights through the bondholders meeting and making reasonable institutional arrangements to ensure the repayment of the principal and interest of the bonds as agreed.

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

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

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

trustee within two business days and fulfill its obligations for information disclosure. If the issuer violates the commitment to the stability of the source of debt repayment funds and fails to collect the debt repayment funds in accordance with the above-mentioned payment agreement, the holder has the right to require the issuer to take negative relief measures in accordance with the Investor Protection Mechanism.

***Accounting data and financial indicators for the last two years as at the end of the Reporting Period***

*Unit: Yuan Currency: RMB*

Major indicators	2021	2020	Increase/decrease	
			from last year (%)	Reason for change
Net profit after deducting non-recurring profit and losses	7,094,451,239	2,774,288,564	155.72	
Liquidity ratio	1.39	1.39	0.00	
Quick ratio	0.84	0.81	3.70	
Asset-liability ratio (%)	51.68	52.54	-0.86	
EBITDA total debt ratio	6.90	9.28	-25.65	
Interest coverage ratio	4.65	2.72	70.96	
Cash interest coverage ratio	5.35	1.18	353.39	
EBITDA interest coverage ratio	6.03	4.10	47.07	
Loan repayment rate (%)	100	100	0.00	
Interest coverage (%)	100	100	0.00	

*Note:* The above net profit after deducting non-recurring profit and losses is the net profit attributable to shareholders of the listed company after deducting non-recurring profit and losses.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**  
**(PREPARED IN ACCORDANCE WITH IFRS)**

	<i>Notes</i>	<b>2021</b> <b>RMB'000</b>	2020 <b>RMB'000</b>
<b>REVENUE</b>	5	<b>441,614,438</b>	317,756,486
Cost of sales		<u>(425,422,857)</u>	<u>(307,687,117)</u>
Gross profit		<b>16,191,581</b>	10,069,369
Other income	5	<b>1,068,671</b>	1,126,594
Other gains and losses	6	<b>(3,104,622)</b>	(1,833,668)
Selling and distribution costs		<b>(367,464)</b>	(269,427)
Administrative expenses		<b>(3,714,620)</b>	(2,726,043)
Impairment losses on financial assets, net	7	<b>(480,019)</b>	(1,264,064)
Finance costs		<b>(2,018,808)</b>	(1,950,099)
Share of profits and losses of:			
Joint ventures		<b>(15,272)</b>	(17,600)
Associates		<u>(142,559)</u>	<u>117,009</u>
<b>PROFIT BEFORE TAX</b>	8	<b>7,416,888</b>	3,252,071
Income tax	9	<u>(1,387,449)</u>	<u>(892,594)</u>
<b>PROFIT FOR THE YEAR</b>		<b><u>6,029,439</u></b>	<b><u>2,359,477</u></b>
<b>Attributable to:</b>			
<b>Owners of the Company</b>		<b>5,772,525</b>	2,227,704
<b>Non-controlling interests</b>		<u>256,914</u>	<u>131,773</u>
		<b><u>6,029,439</u></b>	<b><u>2,359,477</u></b>
<b>EARNINGS PER SHARE</b>			
<b>ATTRIBUTABLE TO ORDINARY</b>			
<b>EQUITY HOLDERS OF THE</b>			
<b>COMPANY:</b>			
– Basic and diluted	11	<b><u>RMB1.67</u></b>	<b><u>RMB0.64</u></b>

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**  
**(PREPARED IN ACCORDANCE WITH IFRS)**

	<b>2021</b>	2020
	<b>RMB'000</b>	RMB'000
<b>PROFIT FOR THE YEAR</b>	<b><u>6,029,439</u></b>	<b><u>2,359,477</u></b>
<b>OTHER COMPREHENSIVE INCOME</b>		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
<b>Cash flow hedges:</b>		
Reclassification adjustments for losses included in the consolidated statement of profit or loss	–	1,857
Income tax effect	–	<u>(465)</u>
	–	1,392
Exchange differences on translation of foreign operations	<b>(15,021)</b>	(11,467)
Share of other comprehensive expenses of joint ventures	<b>(6,504)</b>	(14,151)
Share of other comprehensive expenses of associates	<b><u>(25,922)</u></b>	<u>(227,787)</u>
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods, net of tax	<b><u>(47,447)</u></b>	<u>(252,013)</u>
Other comprehensive income to that will not be reclassified to profit or loss in subsequent periods:		
Equity investments at fair value through other comprehensive income:		
Changes in fair value	<b>4,386,666</b>	6,042,772
Income tax effect	<b><u>46</u></b>	<u>–</u>
	<b>4,386,712</b>	6,042,772
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods, net of tax	<b><u>4,386,712</u></b>	<u>6,042,772</u>

	<b>2021</b> <i>RMB'000</i>	2020 <i>RMB'000</i>
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX</b>	<b><u>4,339,265</u></b>	<u>5,790,759</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX</b>	<b><u>10,368,704</u></b>	<u>8,150,236</u>
Attributable to:		
Owners of the Company	<b>10,118,943</b>	8,048,852
Non-controlling interests	<u>249,761</u>	<u>101,384</u>
	<b><u>10,368,704</u></b>	<u>8,150,236</u>



**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AT 31 DECEMBER 2021**  
(PREPARED IN ACCORDANCE WITH IFRS)

	<i>Notes</i>	<b>2021</b> <b>RMB'000</b>	2020 RMB'000
<b>Non-current assets</b>			
Property, plant and equipment		<b>25,309,193</b>	25,560,182
Investment properties		<b>603,420</b>	470,507
Right-of-use assets		<b>4,274,161</b>	4,268,125
Goodwill		<b>1,295,674</b>	1,266,036
Other intangible assets		<b>3,832,071</b>	4,362,866
Exploration and evaluation assets		<b>608,229</b>	636,111
Investments in joint ventures		<b>152,316</b>	655,923
Investments in associates		<b>4,910,158</b>	3,952,216
Financial instruments other than derivatives		<b>20,527,325</b>	16,517,143
Deferred tax assets		<b>707,392</b>	485,715
Prepayments, other receivables and other assets		<b>580,403</b>	904,337
Deposits for prepaid lease payments		<b>598,742</b>	598,791
Loans to related parties		<b>141,120</b>	–
Time deposits		<b>298,821</b>	100,113
Restricted bank deposits		<b>3,953,809</b>	2,997,591
<b>Total non-current assets</b>		<b>67,792,834</b>	62,775,656
<b>Current assets</b>			
Inventories		<b>36,976,794</b>	32,687,522
Trade and bills receivables	<i>12</i>	<b>7,695,500</b>	7,001,401
Factoring receivables		<b>561,493</b>	716,574
Prepayments, other receivables and other assets		<b>7,152,924</b>	6,033,980
Loans to related parties		<b>1,595,189</b>	1,703,063
Financial instruments other than derivatives		<b>4,019,993</b>	4,453,934
Derivative financial instruments	<i>13</i>	<b>379,098</b>	451,513
Restricted bank deposits		<b>13,535,689</b>	10,574,092
Cash and cash equivalents		<b>21,295,290</b>	14,451,776
		<b>93,211,970</b>	78,073,855
Assets classified as held for sale		<b>29,839</b>	32,042
<b>Total current assets</b>		<b>93,241,809</b>	78,105,897

	<i>Notes</i>	<b>2021</b> <b>RMB'000</b>	2020 RMB'000
<b>Current liabilities</b>			
Trade and bills payables	<i>14</i>	<b>11,167,927</b>	10,115,091
Derivative financial instruments	<i>13</i>	<b>290,969</b>	1,031,399
Other payables and accruals		<b>10,090,878</b>	7,210,743
Deposits from holding company and fellow subsidiaries		<b>5,348,717</b>	3,021,693
Deferred revenue		<b>60,849</b>	56,954
Interest-bearing bank borrowings		<b>38,331,946</b>	33,839,234
Lease liabilities		<b>173,125</b>	167,175
Corporate bonds		<b>513,316</b>	5,991
Tax payable		<b>1,251,214</b>	825,071
<b>Total current liabilities</b>		<b>67,228,941</b>	56,273,351
<b>Net current assets</b>		<b>26,012,868</b>	21,832,546
<b>Total assets less current liabilities</b>		<b>93,805,702</b>	84,608,202
<b>Non-current liabilities</b>			
Corporate bonds		<b>1,500,000</b>	500,000
Interest-bearing bank borrowings		<b>11,856,035</b>	14,076,717
Deposits from holding company and fellow subsidiaries		<b>103,684</b>	88,000
Lease liabilities		<b>199,149</b>	369,560
Deferred tax liabilities		<b>340,068</b>	372,277
Provision for rehabilitation		<b>275,765</b>	264,287
Employee benefit liabilities		<b>16,080</b>	19,654
Deferred revenue		<b>458,647</b>	525,443
Other non-current liabilities		<b>1,246,348</b>	1,532,960
<b>Total non-current liabilities</b>		<b>15,995,776</b>	17,748,898
<b>Net assets</b>		<b>77,809,926</b>	66,859,304
<b>Equity</b>			
<b>Equity attributable to owners of the parent</b>			
Share capital		<b>3,462,729</b>	3,462,729
Reserves		<b>66,336,123</b>	56,447,664
		<b>69,798,852</b>	59,910,393
Non-controlling interests		<b>8,011,074</b>	6,948,911
<b>Total equity</b>		<b>77,809,926</b>	66,859,304

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
*FOR THE YEAR ENDED 31 DECEMBER 2021*  
*(PREPARED IN ACCORDANCE WITH IFRS)*

**1. GENERAL**

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

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

**2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES**

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

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	<i>Interest Rate Benchmark Reform – Phase 2</i>
Amendment to IFRS 16	<i>Covid-19-Related Rent Concessions beyond 30 June 2021 (early adopted)</i>

The adoption of the above new and revised standards has had no significant financial effect on these financial statements.

### 3. BUSINESS COMBINATION

#### Acquisition of TpcO Copper

On 5 January 2021, the Group acquired a 91.59% interest in TpcO Copper Holding Limited (“**TpcO Copper**”) from a third party. The acquisition was made as part of the Group’s strategy to expand and strengthen the copper processing business. The purchase consideration for the acquisition was RMB300,000,000 in the form of cash.

The fair values of identifiable assets acquired and liabilities assumed of TpcO Copper as at the date of acquisition were:

	<b>5 January 2021 Fair value RMB’000</b>
Non-current assets	227,904
Including: Property, plant and equipment	199,368
Right-of-use assets	28,410
Current assets	250,273
Including: Inventories	<u>144,383</u>
Total assets	<u>478,177</u>
Non-current liabilities	(51,356)
Including: Deferred tax liabilities	(21,001)
Current liabilities	<u>(99,274)</u>
Total liabilities	<u>(150,630)</u>
Total identifiable net assets at fair value	327,547
Non-controlling interests	<u>(27,547)</u>
Identifiable net assets at fair value attributable to the Group	<u><u>300,000</u></u>
Satisfied by cash	<u><u>300,000</u></u>

### 3. BUSINESS COMBINATION (CONTINUED)

#### Acquisition of TpcO Copper (continued)

An analysis of the cash flows in respect of the acquisition of a subsidiary is as follows:

	<i>RMB'000</i>
Cash consideration paid in the period	(300,000)
Cash and bank balances acquired	<u>10,332</u>
Net outflow of cash and cash equivalents included in	
cash flows from investing activities	(289,668)
Prepaid consideration in prior year	225,000
Transaction costs of the acquisition included in	
cash flows from operating activities	<u>(400)</u>
	<u><u>(65,068)</u></u>

The fair values of the trade receivables and other receivables as at the date of acquisition amounted to RMB65,081,000 and RMB15,845,000, respectively. The gross contractual amounts of trade receivables and other receivables were RMB643,930,000 and RMB595,088,000, respectively, of which RMB578,849,000 and RMB579,243,000 impairment provision provided, respectively.

The Group incurred transaction costs of RMB400,000 for this acquisition. These transaction costs have been expensed and are included in other expenses in the consolidated statement of profit or loss.

Since the acquisition, TpcO Copper contributed RMB7,712,229,000 to the Group's revenue and RMB5,942,000 net loss to the consolidated profit for the year ended 31 December 2021.

Had the combination taken place at the beginning of the year, the revenue and the profit of TpcO Copper included in the statement of profit or loss of the Group for the year would have been RMB7,712,229,000 and RMB5,942,000 net loss, respectively.

### 3. BUSINESS COMBINATION (CONTINUED)

#### Acquisition of Jiangxi Cable

On 6 January 2021, the Group acquired a 51.00% interest in Jiangxi Cable Holding Limited (“**Jiangxi Cable**”) from a third party. The acquisition was made as part of the Group’s strategy to expand and strengthen the copper processing business. The purchase consideration for the acquisition was RMB208,404,000 in the form of cash.

The fair values of identifiable assets acquired and liabilities assumed of Jiangxi Cable as at the date of acquisition were:

	<b>6 January 2021 Fair value RMB’000</b>
Non-current assets	158,716
Including: Property, plant and equipment	131,141
Right-of-use assets	27,575
Current assets	224,831
Including: Inventories	9,168
	<hr/>
Total assets	383,547
	<hr/>
Current liabilities	(8,616)
	<hr/>
Total liabilities	(8,616)
	<hr/>
Total identifiable net assets at fair value	374,931
Non-controlling interests	(183,716)
	<hr/>
Identifiable net assets at fair value attributable to the Group	191,215
Goodwill on acquisition	17,189
	<hr/>
Satisfied by cash	208,404
	<hr/> <hr/>

### 3. BUSINESS COMBINATION (CONTINUED)

#### Acquisition of Jiangxi Cable (continued)

An analysis of the cash flows in respect of the acquisition of a subsidiary is as follows:

	<i>RMB'000</i>
Cash consideration paid in the period	(208,404)
Cash and bank balances acquired	<u>208,826</u>
Net inflow of cash and cash equivalents included in	
cash flows from investing activities	422
Transaction costs of the acquisition included in	
cash flows from operating activities	<u>(56)</u>
	<u><u>366</u></u>

The fair values and the gross contractual amounts of the trade receivables and other receivables as at the date of acquisition amounted to RMB6,744,000 and RMB23,000, respectively.

The Group incurred transaction costs of RMB56,000 for this acquisition. These transaction costs have been expensed and are included in other expenses in the consolidated statement of profit or loss.

Since the acquisition, Jiangxi Cable contributed RMB339,427,000 to the Group's revenue and RMB30,823,000 net loss to the consolidated profit for the year ended 31 December 2021.

Had the combination taken place at the beginning of the year, the revenue and the profit of Jiangxi Cable included in the statement of profit or loss of the Group for the year would have been RMB339,427,000 and RMB30,823,000 net loss, respectively.

### 3. BUSINESS COMBINATION (CONTINUED)

#### Acquisition of Guangdong Taolin

On 28 September, 2021, the Group acquired a 49.00% interest in Guangdong Taolin Ecology and Environment Co. Ltd. (“**Guangdong Taolin**”) from a third party. Meanwhile, the Group entered into an acting-in-concert agreement with another vote holder, resulting in the Group holding the majority of the voting rights therefore. Accordingly, the board of directors of the Group considered that the Group has controlled over Guangdong Taolin and has consolidated it as a subsidiary since 28 September, 2021. The acquisition was made as part of the Group’s strategy to expand the business of ecological restoration of mining. The purchase consideration for the acquisition was RMB36,488,000 in the form of cash.

The fair values of identifiable assets acquired and liabilities assumed of Guangdong Taolin as at the date of acquisition were:

	<b>28 September 2021</b>
	<b>Fair value</b>
	<i>RMB’000</i>
Non-current assets	21,499
Including: Property, plant and equipment	3,209
Other Intangible Assets	18,290
Current assets	67,944
Including: Inventories	9,854
Total assets	<u>89,443</u>
Non-current liabilities	(4,598)
Including: Deferred tax liabilities	(4,598)
Current liabilities	<u>(35,784)</u>
Total liabilities	<u>(40,382)</u>
Total identifiable net assets at fair value	49,061
Non-controlling interests	<u>(25,021)</u>
Identifiable net assets at fair value attributable to the Group	24,040
Goodwill on acquisition	<u>12,449</u>
Satisfied by cash	<u><u>36,489</u></u>



### 3. BUSINESS COMBINATION (CONTINUED)

#### Acquisition of Guangdong Taolin (continued)

An analysis of the cash flows in respect of the acquisition of a subsidiary is as follows:

	<i>RMB'000</i>
Cash consideration paid in the period	(36,489)
Cash and bank balances acquired	<u>18,976</u>
Net outflow of cash and cash equivalents included in cash flows from investing activities	(17,513)
Transaction costs of the acquisition included in cash flows from operating activities	<u>(232)</u>
	<u><u>(17,745)</u></u>

The fair values and the gross contractual amounts of the trade receivables and other receivables as at the date of acquisition amounted to RMB29,053,000 and RMB5,582,000, respectively.

The Group incurred transaction costs of RMB232,000 for this acquisition. These transaction costs have been expensed and are included in other expenses in the consolidated statement of profit or loss.

Since the acquisition, Guangdong Taolin contributed RMB57,085,000 to the Group's revenue and RMB13,560,000 net profit to the consolidated profit for the year ended 31 December 2021.

Had the combination taken place at the beginning of the year, the revenue and the profit of Guangdong Taolin included in the statement of profit or loss of the Group for the year would have been RMB100,991,000 and RMB17,324,000, respectively.

### 3. BUSINESS COMBINATION (CONTINUED)

#### Reconciliation of goodwill

Reconciliation of the carrying amount of the Group's goodwill at the beginning and end of the reporting period is presented below:

	<i>RMB'000</i> <i>(Unaudited)</i>
Gross carrying amount	
At 1 January 2021	1,266,036
Acquisition of subsidiaries	<u>29,638</u>
At 31 December 2021	<u><u>1,295,674</u></u>
Accumulated impairment losses	
At 1 January 2021 and 31 December 2021	<u><u>–</u></u>
Net book value	
At 1 January 2021	<u><u>1,266,036</u></u>
At 31 December 2021	<u><u>1,295,674</u></u>

#### 4. OPERATING SEGMENT INFORMATION

Since the acquisition of Shandong Humon on 26 June 2019, 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.

Year ended 31 December 2021	Copper related business <i>RMB’000</i>	Gold related business <i>RMB’000</i>	Total <i>RMB’000</i>
<b>Segment revenue</b>			
Sales to external customers	401,515,851	40,098,587	441,614,438
Intersegment sales	292,248	1,178,393	1,470,641
	401,808,099	41,276,980	443,085,079
<i>Reconciliation:</i>			
Elimination of intersegment sales			(1,470,641)
Revenue			441,614,438
<b>Segment results</b>	7,037,176	379,712	7,416,888
<i>Reconciliation:</i>			
Elimination of intersegment results			–
Profit before tax			7,416,888

#### 4. OPERATING SEGMENT INFORMATION (CONTINUED)

Year ended 31 December 2020	Copper related business <i>RMB'000</i>	Gold related business <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Segment revenue</b>			
Sales to external customers	282,679,508	35,076,978	317,756,486
Intersegment sales	<u>1,575,596</u>	<u>917,157</u>	<u>2,492,753</u>
	284,255,104	35,994,135	320,249,239
<i>Reconciliation:</i>			
Elimination of intersegment sales			<u>(2,492,753)</u>
Revenue			<u><u>317,756,486</u></u>
<b>Segment results</b>	2,917,557	334,514	3,252,071
<i>Reconciliation:</i>			
Elimination of intersegment results			<u>—</u>
Profit before tax			<u><u>3,252,071</u></u>

#### 4. 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 customers is detailed below:

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Mainland China	379,475,853	258,469,492
Hong Kong	34,451,457	33,957,214
Others	28,840,360	26,136,469
	<u>442,767,670</u>	<u>318,563,175</u>
Less: Sales related taxes	1,153,232	806,689
	<u><u>441,614,438</u></u>	<u><u>317,756,486</u></u>

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

##### Information about major customers

No revenue from customer or a group of entities which are known to be under common control with that customer, accounted for 10% or more of the Group's revenue for years ended 31 December 2021 and 2020. The State-Owned Entities are not identified as a group of customers under common control by the directors of the Company.

## 5. REVENUE AND OTHER INCOME

An analysis of revenue is as follows:

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
<b>Revenue from contracts with customers</b>		
Sale of goods		
– Copper cathodes	221,113,210	166,680,150
– Copper rods	102,444,247	58,894,734
– Copper processing products	6,441,992	4,291,362
– Gold	28,242,117	33,712,410
– Silver	14,015,436	13,333,365
– Sulphuric and sulphuric concentrates	3,375,199	1,116,480
– Copper concentrate, rare and other non-ferrous metals	59,193,201	31,276,409
– Others	6,366,885	8,220,480
Construction services	503,951	414,507
Other services	1,071,432	623,278
	<u>442,767,670</u>	<u>318,563,175</u>
Less: Sales related taxes	1,153,232	806,689
	<u><b>441,614,438</b></u>	<u><b>317,756,486</b></u>

An analysis of other income is as follows:

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Interest income	814,715	887,831
Dividend income from equity investments	28,426	27,601
Government grants recognised	162,424	142,905
Compensation income and others	63,106	68,257
	<u>1,068,671</u>	<u>1,126,594</u>

## 6. OTHER GAINS AND LOSSES

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Fair value gains/(losses) from commodity derivative contracts and commodity option contracts:		
Transactions not qualifying as hedges	172,584	(230,305)
Ineffectiveness of cash flow hedges	–	2,872
Losses on commodity derivative contracts and commodity option contracts:		
Transactions not qualifying as hedges	(2,116,455)	(1,105,036)
Fair value gains from foreign currency forward contracts and interest rate swaps	45,109	48,614
Gains from foreign currency forward contracts and interest rate swaps	156,909	121,730
Fair value (losses)/gains on other financial assets:		
Financial products	(91,468)	(275,730)
Listed equity instruments	(139,573)	(129,708)
Unlisted equity investments	(118,428)	(119,725)
Income right attached to a target equity interest	(78,848)	(22,498)
Held-for-trading financial liabilities	–	100,858
Gains/(losses) on other financial instruments:		
Listed equity instruments	13,290	3,388
Listed debentures	8,903	9,979
Financial products	290,933	687,225
Held-for-trading financial liabilities	(9,177)	(175,633)
Impairment losses on:		
Property, plant and equipment	(724,416)	(393,612)
Exploration and evaluation assets	(48,228)	(17,689)
Right of use assets	(4,503)	–
Other intangible assets	(336,605)	(86,274)
Gains on disposal of a subsidiary	26,479	–
Losses on disposal of property, plant and equipment	(129,702)	(112,836)
Gains on disposal of other intangible assets	12,068	–
Foreign exchange gains/(losses), net	6,815	(124,886)
Others	(40,309)	(14,402)
	<b>(3,104,622)</b>	<b>(1,833,668)</b>

## 6. OTHER GAINS AND LOSSES (CONTINUED)

During the year ended 31 December 2021, an impairment loss of RMB627,635,000, RMB48,228,000, RMB221,770,000 and RMB4,503,000 was recognised for certain property, plant and equipment, certain exploration and evaluation assets, certain other intangible assets and certain right-of-use assets, respectively, as a result of a series of future expenditures on environment protection of one of the Group's mines have been forecasted. The recoverable amount was RMB444,390,000 which has been determined at the level of the cash-generating unit based on a value-in-use calculation using cash flow projections. The cash-generating unit mainly consisted of property, plant and equipment and mining rights held by the mine. The pre-tax discount rate applied to the cash flow projections is 13%.

## 7. IMPAIRMENT LOSSES ON FINANCIAL ASSETS, NET

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Provided for/(reversal of):		
Impairment of trade receivables	147,817	668,914
Impairment of factoring receivables	167,359	246,725
Impairment of loans to related parties	(30,322)	57,245
Impairment of other receivables	193,117	242,464
Impairment of treasury bonds	2,048	–
Impairment of inter-bank loans	–	48,716
	<u>480,019</u>	<u>1,264,064</u>

## 8. PROFIT BEFORE TAX

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Cost of inventories sold and service provided	417,262,030	299,531,151
Depreciation of property, plant and equipment	2,170,295	2,219,452
Depreciation of right-of-use assets	303,921	273,742
Depreciation of investment properties	12,548	12,339
Amortisation of other intangible assets	274,141	190,257
Auditors' remuneration	14,850	13,980
Employee benefit expense (including directors' remuneration):		
– Wages and salaries	4,718,525	4,000,141
– Pension scheme contributions*	614,177	380,707
Research and development costs	474,050	489,917
Provision for allowance for inventories included in cost of sales	<u>311,146</u>	<u>357,737</u>

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



## 9. INCOME TAX

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

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Current income tax	1,666,888	902,020
Deferred income tax	<u>(279,439)</u>	<u>(9,426)</u>
Income tax charge for the year	<u><u>1,387,449</u></u>	<u><u>892,594</u></u>

Hong Kong profits tax on seven (2020: seven) of the Group's subsidiaries has been provided at the rate of 16.5% (2020: 16.5%) on the estimated assessable profits arising in Hong Kong during the year.

The subsidiaries incorporated in Singapore, United States, Peru, Turkey, Zambia and Mexico are subject to corporate income tax at rates of 10% (2020: 17%), 28% (2020: 28%), 29.5% (2020: 29.5%), 20% (2020: 20%), 35% (2020: 35%), and 30% (2020: 30%), respectively.

The provision for PRC income tax is based on a statutory rate of 25% (2020: 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.

## 10. DIVIDENDS

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Proposed final of RMB0.50 per share (2020: RMB0.10 per share)	<u>1,731,365</u>	<u>346,273</u>
	<u><u>1,731,365</u></u>	<u><u>346,273</u></u>

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

## 11. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

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 3,462,729,405 (2020: 3,462,729,405) in issue during the year.

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2021 and 2020.

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

	<b>2021</b> <i>RMB'000</i>	2020 <i>RMB'000</i>
<b>Earnings</b>		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculations	<u><u>5,772,525</u></u>	<u><u>2,227,704</u></u>
<b>Shares</b>		
Weighted average number of ordinary shares in issue during the year used in the basic and diluted earnings per share calculations	<u><u>3,462,729,405</u></u>	<u><u>3,462,729,405</u></u>

## 12. TRADE AND BILLS RECEIVABLES

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Trade receivables	10,973,427	10,328,264
Bills receivable	<u>2,736,772</u>	<u>2,628,496</u>
	13,710,199	12,956,760
Less: Impairment allowance	<u>6,014,699</u>	<u>5,955,359</u>
	<u><b>7,695,500</b></u>	<u><b>7,001,401</b></u>

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally one to three months. Each customer has a maximum credit limit. 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.

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:

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Within 1 year	6,378,018	5,365,351
1 to 2 years	32,238	67,511
2 to 3 years	86,841	273,408
Over 3 years	<u>1,198,403</u>	<u>1,295,131</u>
	<u><b>7,695,500</b></u>	<u><b>7,001,401</b></u>

The terms of bills receivable are all less than 12 months. As at 31 December 2021, the bills receivable were neither past due nor impaired (31 December 2020: the bills receivable were neither past due nor impaired).

### 13. DERIVATIVE FINANCIAL INSTRUMENTS

	2021		2020	
	Assets <i>RMB'000</i>	Liabilities <i>RMB'000</i>	Assets <i>RMB'000</i>	Liabilities <i>RMB'000</i>
Commodity derivative contracts and forward contracts	297,098	(234,064)	401,120	(553,941)
Commodity option contracts	3,865	(12,720)	–	(369)
Provisional price arrangements	–	(11,442)	–	(426,979)
Foreign currency forward contracts and interest rate swaps	78,135	(32,743)	50,393	(50,110)
	<b>379,098</b>	<b>(290,969)</b>	<b>451,513</b>	<b>(1,031,399)</b>

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
--	------------------------	------------------------

#### Including:

Derivatives designated as hedging instruments:

Fair value hedges

- Commodity derivative contracts and forward contracts
- Provisional price arrangements

29,880	(17,255)
(11,442)	(426,979)

18,438	(444,234)
--------	-----------

Derivatives not designated as hedging instruments:

- Commodity derivative contracts and forward contracts
- Commodity option contracts
- Foreign currency forward contracts and interest rate swaps

33,154	(135,566)
(8,855)	(369)

45,392	283
--------	-----

69,691	(135,652)
--------	-----------

88,129	(579,886)
--------	-----------

#### 14. TRADE AND BILLS PAYABLES

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Trade payables	7,829,772	6,283,727
Bills payables	<u>3,338,155</u>	<u>3,831,364</u>
	<u><b>11,167,927</b></u>	<u><b>10,115,091</b></u>

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

As at 31 December 2021, the Group had no material balance of accounts payable aged over one year (31 December 2020: Nil).

#### 15. 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. As the actual controller of Hengbaochang was suspected of some economic crimes in the transactions involved and has been investigated by the relevant judicial institutions, the facts of the case have become extremely complicated. Therefore, the directors, based on the advice from the Group’s legal counsel, are not yet able to make a reliable estimate of the outcome of the Litigation as well as the resulting loss or gain.

## 16. EVENTS AFTER THE REPORTING PERIOD

On February 22, 2022, the board and supervisory committee of the Company approved the Proposed Spin-off and Listing of a Controlled Subsidiary of Jiangxi Copper Company Limited (《江西銅業股份有限公司關於籌劃控股子公司分拆上市的議案》) and unanimously agreed with the proposed spin-off and listing of Jiangxi Copper Yates Copper Foil Company Limited (“**JCC Copper Foil**”) (the “**Proposed Spin-off and Listing**”). After the Proposed Spin-off and Listing, the Company will still maintain control over JCC Copper Foil, and will not constitute actual impact on the continuous operations of other business segments of the Company, and will not prejudice the independent listing status and continuous profitability of the Company. The Proposed Spin-off and Listing may only be implemented after meeting a number of conditions, including but not limited to the uncertainties of performing corresponding procedures of the stock exchanges where the Company is listed and the stock exchange where JCC Copper Foil is proposed to be listed and the China Securities Regulatory Commission.

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

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

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