



# Jiangxi Copper Company Limited

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

## 2024 Interim Report



## Important Notice

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- (I) The Board, the Supervisory Committee and the Directors, the Supervisors and senior management of the Company warrant the truthfulness, accuracy and completeness of the contents of this interim report and that there are no false representations, misleading statements contained herein or material omissions herefrom, and accept joint and several responsibilities.
- (II) All Directors attended the Board meeting to approve, among others, the interim results for the Reporting Period.
- (III) The interim financial report of the Group has not been audited, but the interim financial information prepared in accordance with the IFRSs has been reviewed by Ernst & Young and considered and approved by the Audit Committee.
- (IV) The person in charge of the Company, Zheng Gaoqing, the person in charge of accounting, Yu Minxin, and the person in charge of the accounting department (accounting chief), Bao Xiaoming, warrant the truthfulness, accuracy and completeness of the financial report as set out in this interim report.
- (V) Proposal of profit distribution or transfer of capital reserve to share capital resolved and approved by the Board during the Reporting Period: The Company had no proposal of profit distribution or transfer of capital reserve to share capital during the Reporting Period.
- (VI) Statement for the risks involved in forward-looking statements: This interim report contains forward-looking statements that involve future plans and development strategies which do not constitute a commitment by the Company to investors. Investors should be aware of the investment risks.
- (VII) There is no misappropriation of funds by the controlling shareholders and other connected parties for non-operation purposes in the Group.
- (VIII) There are no external guarantees provided in violation of the stipulated decision-making procedures in the Group.

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## Definitions

In this report, unless the context otherwise requires, the following expressions have the meanings as follows:

### Definitions to the frequently-used terms

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

## Definitions

|                   |       |   |
|-------------------|-------|---|
| Group             | means | the Company and its subsidiaries  |
| Guixi Smelter     | means | a copper smelter owned by the Company, located in Guixi City, Jiangxi Province, and also refers to Guixi Smelter of the Company   |
| Heding Copper     | means | Zhejiang Jiangtong Fuye Heding Copper Co., Ltd.   |
| Huadong Electric  | means | a copper processing enterprise owned by the Company, located in Yingtai City, Jiangxi Province, and also refers to Jiangxi JCC Huadong Electric New Materials Technology Co., Ltd.                                  |
| Humon Smelting    | means | a gold smelting company owned by the Company, located in Yantai City, Shandong Province, and also refers to Shandong Humon Smelting Co., Ltd., a company listed on the Shenzhen Stock Exchange (stock code: 002237) |
| IFRSs             | means | International Financial Reporting Standards 34 “Interim Financial Reporting” and other relevant provisions  |
| JCC               | means | Jiangxi Copper Corporation Limited (formerly known as Jiangxi Copper Corporation)   |
| JCC Copper Foil   | means | Jiangxi JCC Copper Foil Technology Company Limited  |
| JCC Finance       | means | JCC Finance Company Limited   |
| JCC Group         | means | JCC and its subsidiaries, but excluding the Group   |
| JCC Environmental | means | an environmental protection treatment company owned by the Company, located in Shangrao City, Jiangxi Province, and also refers to Jiangxi JCC Environmental Resources Technology Co., Ltd.                         |
| JCC Guoxing       | means | a copper smelter owned by the Company, located in Yantai City, Shandong Province, and also refers to JCC Guoxing (Yantai) Copper Company Limited  |
| JCC Hongyuan      | means | a copper smelter owned by the Company, located in Guixi City, Jiangxi Province, and also refers to JCC Hongyuan Copper Industry Co., Ltd.   |
| LBMA              | means | London Bullion Market Association   |

## Definitions

|                       |       |   |
|-----------------------|-------|---|
| Listing Rules         | means | the Rules Governing the Listing of Securities on the Stock Exchange   |
| LME                   | means | London Metal Exchange   |
| matte                 | means | copper produced by smelting of copper concentrate in a reverberatory furnace, electric furnace or flash furnace, with copper content of approximately 60%   |
| Ministry of Finance   | means | the Ministry of Finance of the PRC  |
| PRC                   | means | the People's Republic of China  |
| PRC GAAP              | means | the PRC Accounting Standards  |
| refined smelting      | means | production and processing of crude copper to copper cathode   |
| Reporting Period      | means | the six months ended 30 June 2024   |
| rough smelting        | means | production and processing of copper concentrate to crude copper   |
| SSE                   | means | Shanghai Stock Exchange   |
| Stock Exchange        | means | The Stock Exchange of Hong Kong Limited   |
| sulphuric acid        | means | one of the important products in the chemical industry, with molecular formula $H_2SO_4$ , which is a colourless, tasteless oil-like liquid, a strong acid with high boiling point, difficult to volatilise, easily soluble in water and miscible with water in any ratio |
| sulphur concentrate   | means | the sulphur product made from copper ores through mining, crushing, grinding-flotation, washing and other processes as an important material for sulphuric acid production  |
| Supervisor(s)         | means | the supervisor(s) of the Company  |
| Supervisory Committee | means | the supervisory committee of the Company  |

## Definitions

|                      |       |  |
|----------------------|-------|--|
| Wushan Copper Mine   | means | one of the five mines under production located in Jiangxi Province owned by the Company, located in Ruichang City, Jiujiang City, Jiangxi Province, and also refers to Wushan Copper Mine of the Company     |
| Yinshan Mining       | means | one of the five mines under production located in Jiangxi Province owned by the Company, located in Dexing City, Shangrao City, Jiangxi Province, and also refers to JCC Yinshan Mining Company Limited      |
| Yongping Copper Mine | means | one of the five mines under production located in Jiangxi Province owned by the Company, located in Qianshan County, Shangrao City, Jiangxi Province, and also refers to Yongping Copper Mine of the Company |

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

# Company Profile

## I. COMPANY 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 of the Company | Zheng Gaoqing                  |

## II. CONTACT PERSONS AND CONTACT METHODS

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

## III. CHANGES IN BASIC INFORMATION

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



# Company Profile

## IV. CHANGES IN INFORMATION DISCLOSURE AND PLACE OF INSPECTION

|  |  |
|--|--|
| Newspapers selected by the Company for information disclosure    | Shanghai Securities News, Securities Times, Securities Daily   |
| Website for publishing the interim report                        | www.sse.com.cn   |
| Place for inspection of the interim report                       | 7666 Chang Dong Avenue, High-tech Development Zone, Nanchang, Jiangxi Province, the People's Republic of China |
| Reference for inspection for changes during the Reporting Period | Nil  |

## V. INFORMATION ON THE COMPANY'S SHARES

| Class of shares | Stock exchange on which shares are listed | Stock abbreviation | Stock code |
|-----------------|---|--------------------|------------|
| A shares        | SSE                                       | Jiangxi Copper     | 600362     |
| H shares        | the Stock Exchange                        | Jiangxi Copper     | 358        |

## VI. OTHER RELEVANT INFORMATION

Not applicable

# Summary of Accounting Data and Financial Indicators

## I. MAJOR ACCOUNTING DATA AND FINANCIAL INDICATORS OF THE COMPANY

### (I) Consolidated accounting data and financial indicators prepared in accordance with the IFRSs

|  | For the six months ended 30 June |                                  | Increase/<br>(decrease)<br>(%) |
|--|----------------------------------|----------------------------------|--------------------------------|
|  | 2024<br>(RMB'000)<br>(Unaudited) | 2023<br>(RMB'000)<br>(Unaudited) |                                |
| Revenue  | <b>272,193,803</b>               | 266,749,635                      | 2.04                           |
| Profit before tax  | <b>5,097,198</b>                 | 4,475,186                        | 13.90                          |
| Profit for the period attributable to shareholders of the parent | <b>3,715,621</b>                 | 3,472,301                        | 7.01                           |
| Basic earnings per share (RMB)                                   | <b>1.07</b>                      | 1.00                             | 7.00                           |

|   | As at<br>30 June<br>2024<br>(RMB'000)<br>(Unaudited) | As at<br>31 December<br>2023<br>(RMB'000)<br>(Audited) | Increase/<br>(decrease)<br>(%) |
|---|--|--|--------------------------------|
|   | Total assets   | <b>226,358,513</b>                                     |                                |
| Total liabilities   | <b>142,170,636</b>                                   | 91,402,241   | 55.54                          |
| Net assets attributable to shareholders of the parent                 | <b>74,244,543</b>                                    | 67,422,048   | 10.12                          |
| Net assets per share attributable to shareholders of the parent (RMB) | <b>21.51</b>   | 19.47  | 10.45                          |

# Summary of Accounting Data and Financial Indicators

## (II) Consolidated accounting data and financial indicators prepared in accordance with the PRC GAAP

### (I) Major accounting data

Unit: Yuan Currency: RMB

| Major Accounting Data  | During the Reporting Period (January to June) | During the corresponding period of last year | Increase/decrease for the Reporting Period as compared with the corresponding period of last year (%) |
|--|---|--|---|
| Revenue  | <b>273,091,475,940</b>                        | 267,526,335,667                              | 2.08  |
| Net profit attributable to shareholders of the Company                                     | <b>3,616,701,998</b>                          | 3,359,462,882                                | 7.66  |
| Net profit after non-recurring profit and loss attributable to shareholders of the Company | <b>4,992,604,903</b>                          | 2,704,242,203                                | 84.62   |
| Net cash flows from operating activities   | <b>-4,799,711,431</b>                         | 6,464,968,486                                | -174.24   |

|  | As at the end of the Reporting Period | As at the end of last year | Increase/decrease as at the end of the Reporting Period as compared with the end of last year (%) |
|--|---------------------------------------|----------------------------|---|
| Net assets attributable to shareholders of the Company | <b>74,244,543,053</b>                 | 67,422,048,424             | 10.12   |
| Total assets   | <b>226,358,513,809</b>                | 168,150,905,428            | 34.62   |

# Summary of Accounting Data and Financial Indicators

## (II) Major financial indicators

Unit: Yuan Currency: RMB

| Major Financial Indicators  | During the Reporting Period (January to June) | During the corresponding period of last year | Increase/decrease for the Reporting Period as compared with the corresponding period of last year (%) |
|---|---|--|---|
| Basic earnings per share (RMB/share)  | 1.05  | 0.97   | 7.82  |
| Basic earnings per share after non-recurring profit and loss items (RMB/share)          | 1.44  | 0.78   | 84.89   |
| Rate of return on net assets (weighted average) (%)                                     | 5.11  | 4.41   | Increased by 0.70 percentage point  |
| Rate of return on net assets after non-recurring profit and loss (weighted average) (%) | 7.05  | 3.55   | Increased by 3.50 percentage points   |

### Explanation on major accounting data and financial indicators of the Company

Not applicable

## Summary of Accounting Data and Financial Indicators

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

(I) **Differences in net profit and net assets attributable to shareholders of the Company in the financial report disclosed under the IFRSs and under the PRC GAAP**

*Unit: Yuan Currency: RMB*

|   | Net profit attributable to shareholders of the Company |                                | Net assets attributable to shareholders of the Company |                                       |
|---|--|--------------------------------|--|---------------------------------------|
|   | Amount for the current period                          | Amount for the previous period | Amount at the end of the period                        | Amount at the beginning of the period |
| Under the PRC GAAP  | <b>3,616,701,998</b>                                   | 3,359,462,882                  | <b>74,244,543,053</b>                                  | 67,422,048,424                        |
| Adjustments to items and amounts under the IFRSs:                               |  |                                |  |                                       |
| Safety fund expenses provided but not used under the PRC GAAP during the period | <b>98,919,253</b>                                      | 112,836,734                    |  |                                       |
| Under the IFRSs   | <b>3,715,621,251</b>                                   | 3,472,299,616                  | <b>74,244,543,053</b>                                  | 67,422,048,424                        |

## Summary of Accounting Data and Financial Indicators

### (II) Explanation on the differences between domestic and overseas accounting standards

Pursuant to the provisions of the Ministry of Finance and the Ministry of Emergency Management of the PRC, the safety fees are withdrawn in accordance with the requirements of the Administrative Measures on the Withdrawal and Use of Safety Production Fees of Enterprises ((2022) No. 136). The safety fees are used exclusively for the improvement and enhancement of the safety production conditions of enterprises. The safety fees withdrawn are included in the cost or profit and loss for the period of the relevant products, and are separately reflected in “special reserves” of the equity interests of shareholders. When the withdrawn safety production fees are being used, if the expenditure is being expensed, the special reserves shall be directly written off. For fixed assets which have been formed using the withdrawn safety production fees, the expenses incurred in the withdrawal of the construction-in-progress items shall be recognised as fixed assets when the safety project is completed and ready for its intended use; at the same time, the special reserves 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 safety production is separately reflected in the form of profit distribution in restricted reserve items of owners' equity when withdrawn. Expenditures which are expensed in the prescribed scope of use are included in the consolidated income statement for the period in which the expenditures 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 of the safety production fees used for the period, such amount shall be carried forward within the owner's equity to write off the restrictive reserve items and increase the undistributed profit items, until the remaining restricted reserves are written off to zero.

# Summary of Accounting Data and Financial Indicators

## III. NON-RECURRING PROFIT AND LOSS ITEMS AND AMOUNTS (PREPARED UNDER THE PRC GAAP)

*Unit: Yuan Currency: RMB*

| Non-recurring profit and loss items  | Amount<br>(Unaudited) |
|--|-----------------------|
| Profit and loss from disposal of non-current assets, including the reversal of provision for impairment on assets  | -10,362,456           |
| Government grants as included in profit and loss for the current period, other than those that are closely related to the ordinary business of the Company, in compliance with national policies, subject to fixed standards and having continuous effects on the Company's profit and loss                | 232,386,356           |
| Profit and loss from changes in the fair value of financial assets and financial liabilities held by non-financial enterprises and profit and loss from the disposal of financial assets and financial liabilities except for effective hedging businesses related to the ordinary business of the Company | -2,103,123,508        |
| Reversal of impairment provisions on accounts receivables individually tested for impairment   | 19,678,177            |
| Other non-operating income and expenses other than above items   | 10,411,455            |
| Less: Impact from income tax   | -314,034,336          |
| Impact from non-controlling shareholders' interests (after tax)  | -161,072,735          |
| <b>Total</b>   | <b>-1,375,902,905</b> |

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

# Summary of Accounting Data and Financial Indicators

## IV. OTHER ITEMS (PREPARED UNDER THE PRC GAAP)

Unit: Yuan Currency: RMB

| Item   | Opening balance       | Closing balance       | Changes during the current period | Impact on profit of the current period |
|--|-----------------------|-----------------------|-----------------------------------|--|
| 1. Investment in held-for-trading equity instruments             |                       |                       |                                   |  |
| Stock investments  | 160,284,019           | <b>308,941,301</b>    | 148,657,282                       | 27,102,591                             |
| 2. Investment in held-for-trading debt instruments               |                       |                       |                                   |  |
| Bond investments   | 3,909,899,948         | <b>14,073,100</b>     | -3,895,826,848                    | 45,222,238                             |
| Investment in debt instruments                                   | 3,503,240,872         | <b>10,962,241,511</b> | 7,459,000,639                     | 74,216,335                             |
| 3. Other non-current financial assets                            | 1,406,386,291         | <b>1,197,116,265</b>  | -209,270,026                      | -26,946,939                            |
| 4. Investment in other equity instruments                        | 7,526,703,787         | <b>14,532,710,517</b> | 7,006,006,730                     | 0                                      |
| 5. Other debt investments  | 0                     | <b>197,253,680</b>    | 197,253,680                       | 0                                      |
| 6. Derivative instruments not designated as hedging relationship |                       |                       |                                   |  |
| Foreign currency forward contracts                               | -50,334,963           | <b>-27,922,028</b>    | 22,412,935                        | 8,543,971                              |
| Commodity option contracts                                       | -18,515,547           | <b>-2,510,944</b>     | 16,004,603                        | 37,928,472                             |
| Commodity futures contracts                                      | -111,365,390          | <b>153,255,259</b>    | 264,620,649                       | -2,169,531,100                         |
| 7. Hedging instruments   |                       |                       |                                   |  |
| Effective hedging derivative instruments                         |                       |                       |                                   |  |
| Commodity futures contracts                                      | -27,625,296           | <b>26,840,319</b>     | 54,465,615                        | -209,503,764                           |
| Provisional pricing arrangements                                 | -279,085,733          | <b>141,933,687</b>    | 421,019,420                       | 421,019,420                            |
| 8. Items included in inventories that are measured at fair value | 10,339,932,275        | <b>9,594,178,448</b>  | -745,753,827                      | -239,746,552                           |
| 9. Accounts receivable financing                                 | 1,781,688,042         | <b>1,409,917,664</b>  | -371,770,378                      | -72,701,407                            |
| 10. Liabilities from financial guarantee contracts               | -32,546,477           | <b>-53,084,751</b>    | -20,538,274                       | -20,538,274                            |
| <b>Total</b>   | <b>28,108,661,828</b> | <b>38,454,944,028</b> | <b>10,346,282,200</b>             | <b>-2,124,935,009</b>                  |



# Management Discussion and Analysis

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

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

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

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

The main assets owned and controlled by the Group include:

1. A listed company: Humon Smelting is a company listed on the Shenzhen Stock Exchange. The Company holds 44.48% of the total share capital of Humon Smelting, and is a controlling shareholder of Humon Smelting. Humon Smelting is mainly engaged in the exploration, mining, dressing, smelting and chemical production of gold. It is a national key gold smelting enterprise with the annual production capacity of 98.33 tonnes of gold and 1,000 tonnes of silver, and with the production capacity of 0.25 million tonnes of electrolytic copper and 1.3 million tonnes of sulphuric acid as by-products.
2. Five smelters under production: Guixi Smelter, Jiangxi Copper (Qingyuan) Company Limited, JCC Hongyuan, JCC Guoxing and Heding Copper, among which Guixi Smelter is the technologically advanced rough and refined copper smelter of the largest scale in the PRC.
3. Five 100% owned mines under production: Dexing Copper Mine, Yongping Copper Mine, Chengmenshan Copper Mine, Wushan Copper Mine and Yinshan Mining.
4. Ten modern copper products processing plants: Jiangxi Copper Products Company Limited, Jiangxi Copper (Guangzhou) Copper Production Company Limited, JCC Copper Foil, Jiangxi Copper Taiyi Special Electrical Materials Company Limited, Jiangxi Copper (Longchang) Precise Copper Pipe Company Limited, JCC Copper Products Company Limited, Jiangxi Copper North China (Tianjin) Copper Co., Ltd., TPCO Copper Industry Corp., Ltd., Jiangxi Copper Huadong Copper Materials Co., Ltd. and Huadong Electric.

# Management Discussion and Analysis

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

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

# Management Discussion and Analysis

## 2. Business model

### (1) Procurement model

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

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

## Management Discussion and Analysis

### (2) Sales model

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

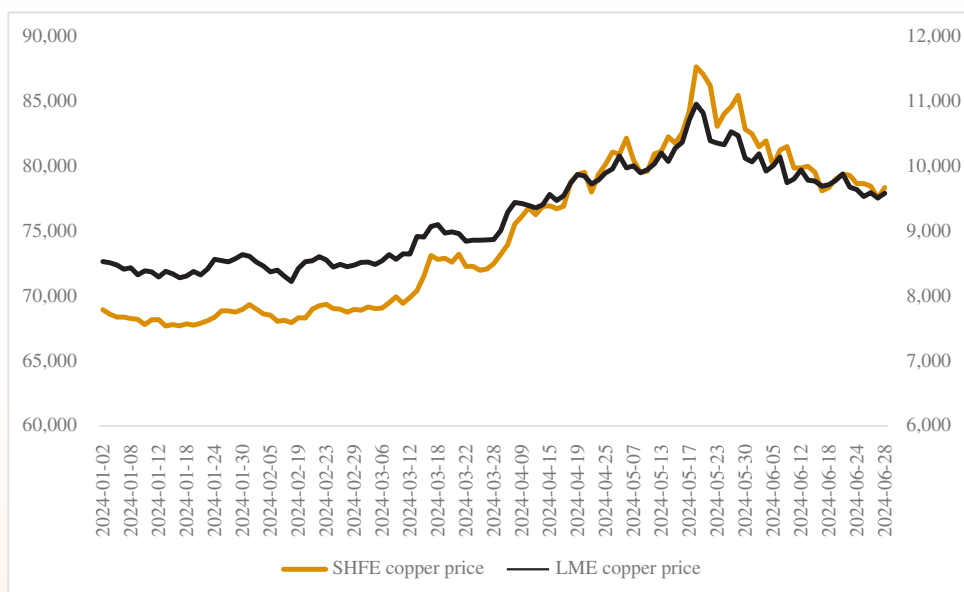
### (3) Production model

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

# Management Discussion and Analysis

## (II) Explanation on the industry

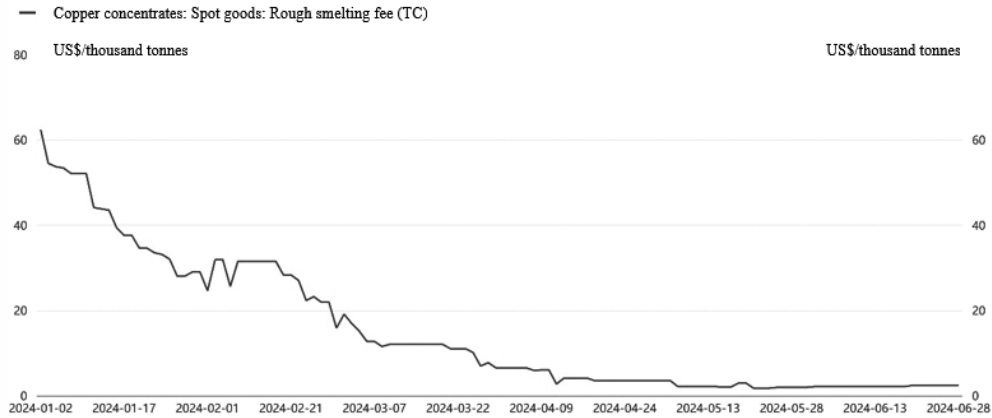
In terms of copper prices, in the first half of 2024, copper prices exhibited a rise followed by a decline, and the Shanghai copper prices fluctuated within the broad range of RMB68,000 per tonne to RMB88,000 per tonne. Following the start of the year, propelled by factors such as escalating expectations of tight supply from copper mines, increasing AI copper consumption and COMEX short squeezes, copper prices surged significantly from around RMB68,000 per tonne at the beginning of the year to around RMB88,000 per tonne, and subsequently fluctuated with a narrow range of around RMB80,000 per tonne. In May, with domestic economic growth under pressure and the delay in the anticipated rate cut by the Federal Reserve, coupled with continuous increases in the inventories of the three major exchanges in the world, copper prices dropped below the RMB80,000 per tonne mark to around RMB78,000 per tonne. In the second half of the year, copper prices will mainly face macroeconomic pressures. Market expectations for a rate cut by the Federal Reserve in September have increased, given that current bearish factors have been alleviated to a certain extent, the domestic macroeconomy is expected to run smoothly. It is anticipated that copper prices will mainly fluctuate strongly within the range of RMB73,000 per tonne to RMB80,000 per tonne in the second half of the year.



## Management Discussion and Analysis

In terms of copper smelting, with continuous growth of domestic copper smelting capacity in recent years, and with the impact of the enhanced expectations of tight supply from mines, the spot processing fees for copper smelting have continued to fall. However, from a practical point of view, the anticipated collective production cuts by smelters due to low processing fees has not occurred, and supply of copper concentrates has continued to increase in the first half of the year. From January to May 2024, China's imports of copper concentrates increased by 2.7% period-on-period. In addition, due to the continuous rise in copper prices, the enthusiasm for scrap copper supply has increased, with a 22.2% period-on-period increase in scrap copper imports from January to May. Smelters addressed the impact of declining processing fees through high ratios of processing fees for long-term orders, stockpiled copper concentrate and supply of scrap copper. Thus, the actual situation was that the domestic copper cathode production in the first half of the year reached 6.672 million tonnes, representing a period-on-period growth of 3.6%. Looking ahead to the second half of the year, the certainty of the expected limited supply from mines becoming reality is increasing, and the change in scrap copper policies and the objective situation where smelter production capacity actually exceeds mine production capacity will continue to affect the TC spot prices in the second half of the year.

# Management Discussion and Analysis



In terms of downstream consumption, there is significant divergence across sectors, with an overall cooling trend in consumption. Traditional industries have experienced a slowdown, particularly evident in the declining growth of durable goods consumption such as automobiles and furniture, while the new energy sector continues to exhibit growth. In the first half of the year, the rapid rise in copper prices dampened consumption, coupled with the poor performance in real estate and infrastructure sectors in the first half of the year. Domestic copper material production has been affected by high copper prices and the substitution of copper rods with scrap copper, resulting in a decline in industry's operating rates, with the operating rate of copper processed materials in China standing at only 61.8% in the first half of the year. In the first half of the year, weakened infrastructure, real estate and durable goods consumption, combined with a noticeable increase in scrap copper substitution, led to a significant surplus in the copper market, and social inventories increased by approximately 330,000 tonnes to 400,000 tonnes.

# Management Discussion and Analysis

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

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

### 1. Advantage of scale

The Group has the largest production base of copper and associated gold and silver and owns an important base of sulphuric chemistry in the PRC. The Company owns a number of copper mines under production including Dexing Copper Mine, a large open-pit mine. As at 30 June 2024, the Company had 100% ownership in the resource reserves of approximately 9.12 million tonnes of copper, 275.9 tonnes of gold, 8,626 tonnes of silver and 164,000 tonnes of molybdenum. Among the resources jointly controlled by the Company and other companies, metal resource reserves attributable to the Company according to its equity percentage were approximately 4,435,000 tonnes of copper and 52 tonnes of gold. Humon Smelting, a controlled subsidiary of the Company, and its subsidiaries have 150.38 tonnes of proven gold reserves which have completed reserve registration.

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

- (1) The Group is the largest integrated copper production enterprise in the PRC and has established its industrial chain with core businesses in mining, ore dressing, smelting and processing of copper and gold, 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 0.2 million tonnes. Humon Smelting, a controlled subsidiary of the Company, has an annual production capacity of 98.33 tonnes of gold and 1,000 tonnes of silver and has production capacity of 0.25 million tonnes of electrolytic copper and 1.3 million tonnes of sulphuric acid as by-products.
- (2) The Group is currently the largest copper processing manufacturer in the PRC, with over 1.8 million tonnes of copper products processed per year.
- (3) The production capacity of copper cathode of the Group is over 2 million tonnes per year, and Guixi Smelter under the Company is the copper smelter of the largest scale for monomer smelting in the world.



# Management Discussion and Analysis

## 3. Advantage of technologies

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

## 4. Advantage of cost

Dexing Copper Mine owned by the Company is a copper open-pit mine. The unit cash cost is below the industry average. 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 of the Company was successfully registered with the LME in one go in 1996, which is the first world-class brand of copper of the PRC. The Company is also the first enterprise in the copper industry of the PRC which has its three main products – copper cathode, gold and silver registered with the LME and the LBMA. The copper testing factory established based on the laboratory of Guiye Centre of the Company is the only testing factory of copper cathode in the PRC recognised by the LME, which has completed a number of copper cathode tests for the registration of various domestic enterprises with the LME. The Company has established good and long-term relationship with world-class mining enterprises.

## 6. Advantage of management and talent

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

# Management Discussion and Analysis

## III. DISCUSSION AND ANALYSIS OF OPERATION

In the first half of 2024, the Company faced a complex external market situation, withstood external pressure, overcame market difficulties, and effectively promoted the optimisation of industrial structure, improved operational efficiency and advanced major strategies. The Company's production and operation maintained a stable and improving development trend.

From January to June 2024, the Company recorded revenue of RMB273.091 billion, representing a period-on-period increase of 2.08% (the corresponding period of last year: RMB267.526 billion); and net profit attributable to shareholders of the Company of RMB3.617 billion, representing a period-on-period increase of 7.66% (the corresponding period of last year: RMB3.359 billion). As at 30 June 2024, the Company's total assets amounted to RMB226.359 billion, representing an increase of 34.62% as compared with that at the beginning of the year (the beginning of the year: RMB168.151 billion), of which net assets attributable to shareholders of the Company amounted to RMB74.245 billion, representing an increase of 10.12% as compared with that at the beginning of the year (the beginning of the year: RMB67.422 billion).

### (I) Focus on main business and improvement in quality and quantity of production and operation

| Product  | Production from January to June 2024 | Production from January to June 2023 | Period-on-period increase (%) |
|--|--------------------------------------|--------------------------------------|-------------------------------|
| Copper cathode ( <i>ten thousand tonnes</i> )  | <b>117.50</b>                        | 98.83                                | 18.89                         |
| Gold ( <i>tonnes</i> )   | <b>72.06</b>                         | 55.00                                | 31.02                         |
| Silver ( <i>tonnes</i> )   | <b>633.19</b>                        | 677.03                               | -6.48                         |
| Sulphuric acid ( <i>ten thousand tonnes</i> )  | <b>320.25</b>                        | 266.97                               | 19.96                         |
| Processed copper products ( <i>ten thousand tonnes</i> )                             | <b>87.18</b>                         | 83.31                                | 4.65                          |
| Including: copper rods   | <b>78.91</b>                         | 76.14                                | 3.64                          |
| Copper contained in self-produced copper concentrates ( <i>ten thousand tonnes</i> ) | <b>10.10</b>                         | 9.98                                 | 1.20                          |
| Standard sulphuric concentrates ( <i>ten thousand tonnes</i> )                       | <b>130.34</b>                        | 133.41                               | -2.30                         |
| Conversion of molybdenum concentrates (45%) ( <i>tonnes</i> )                        | <b>4,334.00</b>                      | 5,110.00                             | -15.19                        |

# Management Discussion and Analysis

## (II) Pragmatic and efficient promotion of key project construction

Firstly, the Company strengthened the “main chain” and made up for shortcomings. The Kazakhstan tungsten mine project will achieve trial production in the third quarter; the underground and surface construction of the third phase expansion project of Wushan Copper Mine are progressing on schedule, striving to be completed and put into operation as soon as possible; the construction of the 5,000 tonnes per day open-pit mining project of Yinshan Mining is progressing in a safe and smooth manner, and all sub-projects are progressing as scheduled; the Mexican slag beneficiation project aims to be put into operation within the year. Secondly, the Company forged a “long chain” and leveraged its advantages, focusing on expanding effective investments in its main business. Humon Smelting’s complex gold concentrate multi-element comprehensive recovery, as well as the expansion and capacity expansion construction of Liaoshang Gold Mine and other high-yield technological transformation projects, are being vigorously promoted, striving to realise investment returns as soon as possible. Thirdly, the Company established a “new chain” and explored expansion. The Huadong Electric’s 100,000 tonnes per year (Phase I) new energy electromagnetic wire project was put into trial production in late April and is actively exploring the market and stepping up the climb to schedule production.

## (III) Seizing opportunities and accelerating international strategic layout

The Company seized new opportunities for cooperation, completed the establishment of the South American office, accelerated the establishment and strengthening of the African office, further integrated various operation forces, and established a “bridgehead” in countries with mineral resources; promoted detailed exploration of mineral resources in Kazakhstan, actively secured the earliest opportunity for exploration rights, and expanded new opportunities for the development of the Belt and Road Initiative; further expanded and deepened the strategic partnership with First Quantum Minerals Ltd. (“**FQM**”) of Canada, and entered into a shareholder rights agreement as the largest shareholder, actively carrying out in-depth cooperation.

## Management Discussion and Analysis

### **(IV) Forward-looking layout strengthening technological innovation capabilities**

The Company promoted industrial progress through technological innovation, and sought breakthroughs in key supporting technologies such as improving mine blasting energy efficiency, increasing mineral processing recovery rates and recovery of precious and scattered rare metals from smelting; in the first half of the year, the Company achieved historic highs in dozens of technical and economic indicators such as recovery rate of molybdenum beneficiation, total recovery rate of copper smelting and total recovery rate of gold smelting, effectively converting technological innovation achievements into advanced productivity and providing reliable technological support for improving comprehensive resource efficiency; deepened the matching and cooperation with universities and research institutes in scientific research resources, carried out joint research and development around new technology needs such as mining, ore dressing, smelting, and processing, and preparation of ultra-high purity copper target materials in the field of copper-based new materials, and established a normalised cooperation mechanism for jointly building data resource value realisation laboratories, talent cultivation and scientific research resource sharing; made forward-looking layouts of future industries, started the preparation works for the establishment of the Jiangxi Copper Future Research Center, which will focus on in-depth research and precise entry into fields such as new energy and artificial intelligence, and stimulate new industries, new models, new business formats and new driving forces through new technologies, thereby achieving iterative leaps in productivity.

### **(V) Enhancing intrinsic safety and promoting green development**

The Company conscientiously implemented the deployment of actions to address fundamental causes of production safety, focused on ten major actions such as implementation of safety production responsibilities and dynamic clearing of major accident hazards, formulated and implemented a three-year action plan to address fundamental causes of safety production with high standards, systematically improved the level of intrinsic safety, and achieved safe production in a stable and smooth manner in the first half of the year; thoroughly implemented the deployment of large-scale equipment updates, made improvement and transformation for the purpose of high-end, digitalised, green, low-carbon equipment and enhancing safety level, and strived to achieve full coverage of high energy consuming motor replacement. As at 30 June 2024, the Company possessed 14 national-level green mines and green factories.

# Management Discussion and Analysis

## IV. MAJOR OPERATING RESULTS DURING THE REPORTING PERIOD

### (I) Analysis of principal businesses

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

Unit: Yuan Currency: RMB

| Items                                    | For the period         | For the corresponding period of last year | Changes (%) |
|--|------------------------|---|-------------|
| Revenue                                  | <b>273,091,475,940</b> | 267,526,335,667                           | 2.08        |
| Cost of sales                            | <b>261,883,095,413</b> | 260,756,960,501                           | 0.43        |
| Selling expenses                         | <b>194,034,503</b>     | 186,735,191                               | 3.91        |
| Administrative expenses                  | <b>1,164,787,941</b>   | 1,222,466,867                             | -4.72       |
| Taxes and surcharges                     | <b>897,672,877</b>     | 776,700,980                               | 15.58       |
| Financial expenses                       | <b>672,278,022</b>     | 253,928,248                               | 164.75      |
| Research and development expenses        | <b>563,960,262</b>     | 383,549,603                               | 47.04       |
| Net cash flow from operating activities  | <b>-4,799,711,431</b>  | 6,464,968,486                             | -174.24     |
| Net cash flow from investment activities | <b>-13,148,704,070</b> | -16,110,688,376                           | -18.39      |
| Net cash flow from financing activities  | <b>20,833,163,931</b>  | 20,469,677,303                            | 1.78        |
| Impairment losses on assets              | <b>735,089,280</b>     | 251,449,333                               | 192.34      |
| Impairment losses on credit              | <b>138,284,324</b>     | -94,435,641                               | -246.43     |
| Gains from disposal of assets            | <b>314,266</b>         | 23,446,668                                | -98.66      |
| Other gains                              | <b>232,386,356</b>     | 157,057,300                               | 47.96       |
| Investment gains                         | <b>-2,429,698,565</b>  | -44,003,006                               | 5,421.66    |
| Gains from changes in fair value         | <b>344,498,747</b>     | 409,740,839                               | -15.92      |
| Income tax expenses                      | <b>970,106,679</b>     | 746,906,414                               | 29.88       |

## Management Discussion and Analysis

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

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

Explanation on changes in selling expenses: mainly due to the increase in sales volume of main products;

Explanation on changes in administrative expenses: mainly due to the decrease in repair fees;

Explanation on changes in taxes and surcharges: mainly due to the increase in urban construction and education surcharge taxes, stamp duties, and others;

Explanation on changes in financial expenses: mainly due to changes in foreign exchange losses and gains;

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

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

Explanation on changes in net cash flow from investment activities: mainly due to the increase in cash received from the recovery of investments;

Explanation on changes in net cash flow from financing activities: no significant changes;

# Management Discussion and Analysis

Explanation on changes in impairment losses on assets: mainly due to the decline in copper prices at the end of June and the increase in the provision for write-downs of inventories;

Explanation on changes in impairment losses on credit: mainly due to the increase in provision for bad debts in accounts receivables;

Explanation on changes in gains from disposal of assets: mainly due to the fact that no major disposals of assets took place during the period;

Explanation on changes in other gains: mainly due to the increase in tax refunds and other subsidies during the period;

Explanation on changes in investment gains: the Company carried out hedging for main products, when the product prices fluctuate, the spot and futures ends change in opposite directions; the main product prices rose during the period, reflecting gains on the spot side and losses on the futures close positions;

Explanation on changes in gains from changes in fair value: due to the combined impact of the decline of copper price at the end of June, the increase in fair value on the futures side and the decrease in fair value of certain equity instrument investments;

Explanation on changes in income tax expenses: mainly due to changes in profit.

**2. Detailed explanation of major changes in business types, profit composition or profit source of the Company for the period**

Not applicable

## Management Discussion and Analysis

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

Not applicable

### (III) Analysis of assets and liabilities

#### 1. Assets and liabilities

Unit: Yuan Currency: RMB

| Item  | As at the end of the period | Share of total assets as at the end of the period (%) | As at the end of the period of last year | Share of total assets as at the end of the period of last year (%) | Changes as at the end of the period over the period of last year (%) | Explanation |
|---|-----------------------------|---|--|--|--|-------------|
| Cash and bank                               | 58,010,581,206              | 25.63   | 35,620,029,457                           | 21.18  | 62.86  | Note 1      |
| Held-for-trading financial assets           | 11,285,255,912              | 4.99  | 7,573,424,839                            | 4.50   | 49.01  | Note 2      |
| Derivative financial assets                 | 853,562,444                 | 0.38  | 200,583,645                              | 0.12   | 325.54   | Note 3      |
| Accounts receivables                        | 6,210,580,894               | 2.74  | 3,971,108,921                            | 2.36   | 56.39  | Note 4      |
| Prepayments                                 | 5,887,141,061               | 2.60  | 946,805,634                              | 0.56   | 521.79   | Note 5      |
| Other receivables                           | 5,899,786,450               | 2.61  | 4,147,460,401                            | 2.47   | 42.25  | Note 6      |
| Other current assets                        | 10,282,380,619              | 4.54  | 3,022,849,613                            | 1.80   | 240.16   | Note 7      |
| Other debt investments                      | 197,253,680                 | 0.09  | 0  | 0.00   | 100.00   | Note 8      |
| Other equity instrument investments         | 14,532,710,517              | 6.42  | 7,526,703,787                            | 4.48   | 93.08  | Note 9      |
| Short-term borrowings                       | 73,865,903,931              | 32.63   | 36,062,264,218                           | 21.45  | 104.83   | Note 10     |
| Contract liabilities                        | 4,130,531,172               | 1.82  | 1,397,394,903                            | 0.83   | 195.59   | Note 11     |
| Other payables                              | 7,524,536,663               | 3.32  | 4,570,757,159                            | 2.72   | 64.62  | Note 12     |
| Non-current liabilities due within one year | 2,989,738,830               | 1.32  | 2,200,956,948                            | 1.31   | 35.84  | Note 13     |
| Other current liabilities                   | 10,198,805,421              | 4.51  | 6,279,280,660                            | 3.73   | 62.42  | Note 14     |
| Treasury shares                             | 258,748,765                 | 0.11  | 0  | 0.00   | 100.00   | Note 15     |
| Other comprehensive income                  | 5,385,773,364               | 2.38  | -51,221,361                              | -0.03  | -10,614.70   | Note 16     |



# Management Discussion and Analysis

## Other explanations

- Note 1.* As at the end of the Reporting Period, the cash and bank of the Group amounted to RMB58,010.58 million, representing an increase of RMB22,390.55 million (or 62.86%) as compared with the end of the period of last year, mainly attributable to cash inflows from the Group's financing activities;
- Note 2.* As at the end of the Reporting Period, the held-for-trading financial assets of the Group amounted to RMB11,285.26 million, representing an increase of RMB3,711.83 million (or 49.01%) as compared with the end of the period of last year, mainly attributable to the increase in the Group's debt instrument investments;
- Note 3.* As at the end of the Reporting Period, the derivative financial assets of the Group amounted to RMB853.56 million, representing an increase of RMB652.98 million (or 325.54%) as compared with the end of the period of last year, mainly attributable to the floating profit and loss of the futures business of the Group;
- Note 4.* As at the end of the Reporting Period, the accounts receivables of the Group amounted to RMB6,210.58 million, representing an increase of RMB2,239.47 million (or 56.39%) as compared with the end of the period of last year, mainly attributable to the increase in revenue for the period;
- Note 5.* As at the end of the Reporting Period, the prepayments of the Group amounted to RMB5,887.14 million, representing an increase of RMB4,940.34 million (or 521.79%) as compared with the end of the period of last year, mainly attributable to the prepayments made by the Group for raw materials and purchases for commodity trading;
- Note 6.* As at the end of the Reporting Period, the other receivables of the Group amounted to RMB5,899.79 million, representing an increase of RMB1,752.33 million (or 42.25%) as compared with the end of the period of last year, mainly attributable to the increase in the Group's futures deposits;
- Note 7.* As at the end of the Reporting Period, the other current assets of the Group amounted to RMB10,282.38 million, representing an increase of RMB7,259.53 million (or 240.16%) as compared with the end of the period of last year, mainly attributable to the increase in the purchase of bond reverse repurchase products by the Group;
- Note 8.* As at the end of the Reporting Period, the other debt investments of the Group amounted to RMB197.25 million, representing an increase of RMB197.25 million (or 100%) as compared with the end of the period of last year, mainly attributable to the increase in debt investments of the Group;
- Note 9.* As at the end of the Reporting Period, the other equity instrument investments of the Group amounted to RMB14,532.71 million, representing an increase of RMB7,006.01 million (or 93.08%) as compared with the end of the period of last year, mainly attributable to the increase in equity investments and the rise in share prices of equity investments held by the Group;
- Note 10.* As at the end of the Reporting Period, the short-term borrowings of the Group amounted to RMB73,865.90 million, representing an increase of RMB37,803.64 million (or 104.83%) as compared with the end of the period of last year, mainly attributable to the new short-term borrowings of the Group;

# Management Discussion and Analysis

- Note 11.* As at the end of the Reporting Period, the contract liabilities of the Group amounted to RMB4,130.53 million, representing an increase of RMB2,733.14 million (or 195.59%) as compared with the end of the period of last year, mainly attributable to the increase in payments in advance received by the Group;
- Note 12.* As at the end of the Reporting Period, the other payables of the Group amounted to RMB7,524.54 million, representing an increase of RMB2,953.78 million (or 64.62%) as compared with the end of the period of last year, mainly attributable to the distribution of cash dividends for the year of 2023 by the Group;
- Note 13.* As at the end of the Reporting Period, the non-current liabilities due within one year of the Group amounted to RMB2,989.74 million, representing an increase of RMB788.78 million (or 35.84%) as compared with the end of the period of last year, mainly attributable to the increase in the long-term borrowings due within one year;
- Note 14.* As at the end of the Reporting Period, the other current liabilities of the Group amounted to RMB10,198.81 million, representing an increase of RMB3,919.52 million (or 62.42%) as compared with the end of the period of last year, mainly attributable to the increase in short-term deposits from related parties of JCC Finance, a subsidiary of the Group;
- Note 15.* As at the end of the Reporting Period, the treasury shares of the Group amounted to RMB258.75 million, representing an increase of RMB258.75 million (or 100%) as compared with the end of the period of last year, mainly attributable to the repurchase of shares by the Group;
- Note 16.* As at the end of the Reporting Period, the other comprehensive income of the Group amounted to RMB5,385.77 million, representing an increase of RMB5,436.99 million (or -10,614.70%) as compared with the end of the period of last year, mainly attributable to the rise in the share prices of equity investments held by the Group.

## 2. Overseas assets

### (1) **Asset size**

Including: overseas assets 45,776,668,002 (Unit: Yuan Currency: RMB), accounting for 20.22% of the total assets.

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

Not applicable

# Management Discussion and Analysis

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

Unit: Yuan Currency: RMB

| Item                              | Book value at the end of the period | Reasons for the restriction  |
|-----------------------------------|-------------------------------------|--|
| Cash and bank                     | <b>35,608,408,998</b>               | Security deposits for the application of issuance of letters of credit, bank guarantees and bank acceptance notes of the Group from banks, the statutory reserves deposited with the People's Bank of China, environment rehabilitation deposits, pledges used to secure short-term and long-term borrowings and frozen bank deposits and interest receivables.  |
| Held-for-trading financial assets | <b>8,269,174,692</b>                | Wealth management products were used by the Group for issuance of letters of credit and as deposits for bank acceptance notes.   |
| Bills receivable                  | <b>80,000,000</b>                   | Commercial acceptance notes with book values of RMB80,000,000 were pledged to issue bank acceptance notes.   |
| Other receivables                 | <b>2,229,627,089</b>                | Futures deposits.  |
| Inventories                       | <b>1,195,407,220</b>                | Inventories with book values of RMB1,020,368,199 were used as futures deposits; inventories with book values of RMB9,285,858 were compulsorily preserved by court due to litigations; inventories deposited in the third-party warehousing company, with book values of RMB165,753,163, were subject to restrictions on the ownership, as such third-party warehousing company was involved in litigation and other matters. |

## Management Discussion and Analysis

| Item                                   | Book value at the end of the period | Reasons for the restriction   |
|--|-------------------------------------|---|
| Non-current assets due within one year | <b>1,474,835,404</b>                | Time deposits in the bank with value of RMB1,364,024,000 were pledged for the issuance of bank acceptance notes and letters of credit; interests receivable relating to the above-mentioned time deposits with restricted ownership due within one year amounted to RMB110,811,404.   |
| Investment properties                  | <b>148,744,537</b>                  | Compulsorily preserved by court due to litigation.  |
| Fixed assets                           | <b>683,094,451</b>                  | Housing buildings with book values of RMB240,828,744 and machinery and equipment with book values of RMB338,421,760 were pledged to secure short-term bank borrowings of RMB241,066,568 and long-term bank borrowings due within one year of RMB36,464,600; housing buildings and office equipment with book values of RMB103,843,947 were compulsorily preserved by court due to litigation. |
| Intangible assets                      | <b>179,115,388</b>                  | Land use rights with book values of RMB146,961,253 were pledged to secure short-term bank borrowings; Land use rights with book values of RMB32,154,135 were pledged to secure long-term bank borrowings.   |
| Other non-current assets               | <b>995,257,018</b>                  | Time deposits with maturity dates of more than one year were pledged by the Group to secure short-term bank borrowings and long-term bank borrowings.   |

#### 4. Other explanations

Not applicable

# Management Discussion and Analysis

## (IV) Analysis of investment

### 1. General analysis of external investment in equity

Unit: 0'000 Yuan Currency: RMB

|   |            |
|---|------------|
| Investment during the Reporting Period                  | 169,534.96 |
| Investment during the corresponding period of last year | 72,800.25  |
| Extent of period-on-period increase/decrease (%)        | 132.88     |

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

## Management Discussion and Analysis

| No. | Name of investee  | Principal activity   | Share of interests in the investee (%) | Investment amount |
|-----|---|--|--|-------------------|
| 3   | Jiangxi Advanced Copper Functional Materials Technology Co., Ltd. (江西先進銅功能材料科技有限公司) | General projects: new material technology promotion services, energy conservation management services, research and development of emerging energy technologies, environmental protection consulting services, intellectual property services (excluding patent agency services), science and technology intermediary services, technical services, technical development, technical consulting, technology exchanges, technology transfer, technology promotion, sales of specialised chemical products (excluding hazardous chemicals), sales of non-ferrous alloys, non-ferrous metal alloy manufacturing, non-ferrous metal pressing and processing, industrial Internet data services, digital technology services, software development, manufacturing of experimental analysis instruments, sales of experimental analysis instruments, processing of non-metallic waste and debris, processing of metal waste and debris, leasing of machinery and equipment, research and experimental development of natural sciences, research and development of new material technology, research and experimental development of engineering and technology (except for projects subject to approval in accordance with the law, business activities may be carried out independently with a business licence in accordance with the laws) | 20                                     | 800               |
| 4   | Jiangxi JCC Huadong Electric New Materials Technology Co., Ltd. (江西江銅華東電工新材料科技有限公司) | General projects: manufacture of electrical equipment, sales of electrical equipment, manufacture of specialised equipment for electrical machinery, technical services, technical development, technical consulting, technical exchanges, technology transfer, technology promotion (except for projects subject to approval in accordance with the law, business activities may be carried out independently with a business licence in accordance with the laws)  | 70                                     | 6,580             |
| 5   | First Quantum Minerals Ltd. <sup>Note</sup>   | Copper and associated metal resources development  | 18.47                                  | 152,702.33        |

## Management Discussion and Analysis

*Notes:* On 9 December 2019, as considered and approved by the fifteenth meeting of the eighth session of the Board convened by the Company, Jiangxi Copper (Hong Kong) Investment Company Limited, a wholly-owned subsidiary of the Company, acquired from Pangaea Investment Management Ltd. ("**PIM**"), a company in which the Company is indirectly interested in, 100% equity interest in PIM Cupric Holdings Limited ("**PCH**"), which was wholly-owned by PIM, at the consideration of USD1.1159 billion. Upon completion of the acquisition, PCH became an indirect wholly-owned subsidiary of the Company. PCH held 124,198,371 shares of FQM, a company listed on the Toronto Stock Exchange of Canada (representing 18.015% of the then issued shares of FQM).

On 29 February 2024, the Company participated in FQM's public offering of common shares with a total offering size of CAD1.553 billion and subscribed for 25,863,000 common shares in the offering. As at 30 June 2024, the Company indirectly held 154,059,171 shares of FQM, representing 18.47% of its issued shares. The fair value of this equity investment was RMB14.472 billion, representing 6.39% of the Company's total assets.

FQM is a global mining company that operates mines in several countries. FQM mainly produces copper, as well as gold, nickel, zinc, cobalt, etc. According to the 2024 second quarter report of FQM, its total revenue and gross profit for the six months ended 30 June 2024 were USD2,267 million and USD489 million, respectively.

The copper mines controlled by FQM are abundant in reserves. The Company enjoys the interests in FQM's copper mine resources and the anticipated future cash dividends through shareholding, which is in line with the Company's resource internationalisation strategy. On 23 July 2024 (Eastern Standard Time), the Company entered into a shareholder rights agreement with FQM. The Company may explore asset-level cooperation with FQM to expand and develop copper mine projects within their respective investment portfolios to enhance project profitability.

## Management Discussion and Analysis

**(1) Significant equity interest investment**

Not applicable

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

Not applicable

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

Not applicable

*Securities Investments*

Not applicable

*Explanation on Securities Investments*

Not applicable

*Private Equity Fund Investments*

Not applicable

*Derivative Investments*

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

Not applicable

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

Not applicable



## Management Discussion and Analysis

### Other explanations

The Group's product prices are mainly determined with reference to the prices of related products listed on the LME and the Shanghai Metal Exchange. Major raw materials and products, including copper, gold and silver, are important trading varieties in the international non-ferrous metal market and have their own international market pricing mechanisms. 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. Furthermore, the purchase and sales pricing have mismatch in supply-demand structures, cycles, pricing methods, pricing periods and other aspects, and the market prices for metals and mineral products may experience significant fluctuations in a short period of time, the Group faces commodity price risks.

In addition to hedging against the price fluctuation risks by matching the purchase and sales pricing, the Group also uses derivative financial instruments including commodity futures contracts, T+D contracts, option contracts and provisional pricing arrangements based on the purchase and sales pricing conditions to mitigate the exposure to the commodity price risks, fully leveraging the high correlation between the spot market and the futures market and reducing the impact of metal commodity price fluctuations on the Group's production and operations. The Group has established a strict hedging scheme and an internal control system, under which hedging is only for the purpose of mitigating the commodity price fluctuation risks, and any speculative transactions are prohibited, so as to ensure the long-term and stable development of the Group.

For the above-mentioned derivative financial instruments including commodity futures contracts, T+D contracts, option contracts and provisional pricing arrangements that comply with the accounting requirements of Accounting Standards for Business Enterprises No. 24 – Hedging, the Group has adopted the corresponding accounting treatment in accordance with the hedging accounting and disclosed in Note 12 of the interim condensed consolidated financial statements. Meanwhile, for other hedging transactions of the Group that are not accounted for by applying the hedging accounting standards, profits or losses from changes in the fair value of the relevant derivative financial instruments are recognised at the end of each period and transferred to investment profits/losses when the positions are closed. The amount of the above-mentioned profits/losses from changes in the fair value or investment profits/losses is affected by the quantity of relevant commodities, the number of derivative contracts and the corresponding price fluctuations. The Group has disclosed the above-mentioned hedging transactions that are not accounted for by applying the hedging accounting standards and their financial effects in Notes 5 and 12 of the Group's interim condensed consolidated financial statements.

# Management Discussion and Analysis

## (V) Material disposal of assets and equity interests

Not applicable

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

### (1) Production and operation of the principal controlled subsidiaries of the Company as at 30 June 2024

Unit: 0'000 Yuan Currency: RMB

| Company name   | Business nature   | Registered capital | Shareholding percentage (%) | Total assets | Net assets | Operating revenue | Net profit |
|--|---|--------------------|-----------------------------|--------------|------------|-------------------|------------|
| Shandong Humon Smelting Co., Ltd.<br>(山東恒邦冶煉股份有限公司)  | Exploration, mining, dressing, smelting and chemical production of gold   | 114,801            | 44.48                       | 2,377,662    | 931,672    | 4,097,019         | 28,778     |
| JCC Finance Company Limited<br>(江西銅業集團財務有限公司)  | Provision of guarantee, deposit taking from and provision of loans to member units                                | 260,000            | 100.00                      | 3,648,453    | 470,913    | 27,748            | 14,083     |
| Jiangxi Copper International Trade Company Limited<br>(江銅國際貿易有限公司)                           | Trading of metal products   | 101,609            | 59.05                       | 1,450,177    | 29,208     | 4,171,773         | 6,646      |
| Zhejiang Jiangtong Fuyue Hedong Copper Co., Ltd.<br>(浙江江銅富冶和鼎銅業有限公司)                         | Production and sales of copper cathode  | 128,000            | 40.00                       | 1,544,566    | 393,924    | 2,019,377         | 53,530     |
| Jiangxi Copper North China (Tianjin) Copper Co., Ltd<br>(江銅華北(天津)銅業有限公司)                     | Production of copper rods/wires and their related products  | 64,020             | 51.00                       | 447,099      | 71,121     | 1,194,953         | 574        |
| Jiangxi Copper (Hong Kong) Investment Company Limited<br>(江西銅業(香港)投資有限公司)                    | Project investment, fund investment, investment management, investment advisory and economic information advisory | 724,442            | 100.00                      | 1,125,997    | 688,579    | 0                 | -13,263    |
| Jiangxi Copper (Shenzhen) International Investment Holding Co., Ltd.<br>(江西銅業(深圳)國際投資控股有限公司) | Sales of copper cathode, anode plates and non-ferrous metals  | 166,200            | 100.00                      | 1,585,294    | 209,941    | 6,465,367         | 5,881      |

# Management Discussion and Analysis

## (2) Production and operation of the associates and joint ventures of the Company as at 30 June 2024

Unit: 0'000 Yuan Currency: RMB

| Name of investee   | Business nature    | Registered capital | Our shareholding (%) | Total                                    |   |  | Total operating revenue for the period | Net profit for the period |
|--|--------------------|--------------------|----------------------|--|---|--|--|---------------------------|
|  |                    |                    |                      | Total assets as at the end of the period | Total liabilities as at the end of the period | Total net assets as at the end of the period |  |                           |
| I. Associates  |                    |                    |                      |  |   |  |  |                           |
| Minmetals Jiangxi Copper Mining Investment Company Limited<br>(五礦江銅礦業投資有限公司) | Investment company | 606,550            | 40                   | 471,169                                  | 10,011  | 461,158                                      | 0.00                                   | 1,423                     |

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

Not Applicable

## V. OTHER DISCLOSURES

### (I) Potential Risks

#### 1. Production safety risks

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

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

# Management Discussion and Analysis

## 2. Exchange rate fluctuation risks

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

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

## 3. Risks from product price fluctuations

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

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

# Management Discussion and Analysis

## 4. Risks from changes in market environment

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

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

## 5. Environmental protection risks

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

# Management Discussion and Analysis

## 6. Risks from uncertainties

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

## (II) Other Disclosures

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

Since the publication of the 2023 annual report, there has been no material change in the likely future business development of the Group, including the prospects of the Company for the current accounting year.

# Corporate Governance

## I. GENERAL MEETING OVERVIEW

| Session of the meeting                   | Date of convening | Reference for inspection on the specified website for resolution publication | Publication date of resolutions | Resolutions of the meeting  |
|--|-------------------|--|---------------------------------|---|
| 2024 First Extraordinary General Meeting | 4 January 2024    | www.sse.com.cn   | 5 January 2024                  | A total of 3 resolutions were considered and approved at the meeting with no objection. Please refer to the announcement published on websites of SSE and the Company for details.  |
| 2023 Annual General Meeting              | 6 June 2024       | www.sse.com.cn   | 7 June 2024                     | A total of 11 resolutions were considered and approved at the meeting with no objection. Please refer to the announcement published on websites of SSE and the Company for details. |

### **Request from preference shareholders with restored voting rights to convene extraordinary general meetings**

Not applicable

### **Explanation on general meetings**

In the first half of 2024, all resolutions considered at the two general meetings convened by the Company were approved.

# Corporate Governance

## II. CHANGES IN DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT OF THE COMPANY

| Name          | Position held  | Change    |
|---------------|--|-----------|
| Zheng Gaoqing | Director and chairman of the Board                   | Elected   |
| Zhou Shaobing | Director and deputy chairman of the Board            | Elected   |
| Liu Fangyun   | Director   | Elected   |
| Yu Tong       | Director   | Elected   |
| Yu Minxin     | Director   | Elected   |
| Gao Jian-min  | Director   | Elected   |
| Liang Qing    | Director   | Elected   |
| Wang Feng     | Independent Director                                 | Elected   |
| Li Shuidi     | Independent Director                                 | Elected   |
| Lai Dan       | Independent Director                                 | Elected   |
| Liu Shuying   | Independent Director                                 | Elected   |
| Zha Kebing    | Supervisor and chairman of the Supervisory Committee | Elected   |
| Cai Lisi      | Supervisor   | Elected   |
| Li Si         | Supervisor   | Elected   |
| Zhao Bicheng  | Supervisor   | Elected   |
| Gong Bin      | Supervisor   | Elected   |
| Yu Minxin     | Chief financial officer                              | Appointed |
| Yu Tong       | Chief financial officer and Director                 | Resigned  |
| Liu Guobiao   | Supervisor   | Resigned  |
| Chen Yunian   | Deputy general manager                               | Resigned  |
| Zhu Xingwen   | Independent Director                                 | Resigned  |
| Liu Xike      | Independent Director                                 | Resigned  |

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

On 23 April 2024, the Company received a written resignation report from Yu Tong, a Director and the chief financial officer of the Company, who ceased to serve as a Director and the chief financial officer of the Company due to changes in work arrangements. On 26 April 2024, the Company convened the 30th meeting of the ninth session of the Board. Chen Yunian was no longer appointed as the deputy general manager of the Company due to reaching the statutory retirement age. The Company convened the 2023 annual general meeting on 6 June 2024, and elected the members of the tenth session of the Board and the Supervisory Committee. On 7 June 2024, the Company convened the first meeting of the tenth session of the Board, and elected Zheng Gaoqing and Zhou Shaobing as the chairman and the deputy chairman of the tenth session of the Board respectively, and appointed Yu Minxin as the chief financial officer. On 7 June 2024, the Company convened the first meeting of the tenth session of the Supervisory Committee, and elected Zha Kebing as the chairman of the tenth session of the Supervisory Committee. On 10 July 2024, the Company convened the second extraordinary general meeting of 2024, and elected Yu Minxin as a Director of the tenth session of the Board.



## Corporate Governance

### III. PROPOSAL OF PROFIT DISTRIBUTION OR TRANSFER OF CAPITAL RESERVE TO SHARE CAPITAL

**(I) Proposal of profit distribution and transfer of capital reserve to share capital for the interim period**

During the Reporting Period, the Company had no proposal of profit distribution or transfer of capital reserve to share capital.

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

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

Not applicable

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

**Share option scheme**

Not applicable

**Other explanation**

Not applicable

**Employee shareholding plan**

Not applicable

**Other incentives**

Not applicable

# Environmental and Social Responsibility

## I. PARTICULARS OF ENVIRONMENTAL INFORMATION

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

#### 1. Information on discharge of pollutants

| Company name                                   | Name of major pollutant | Total emissions approved (t/a) | Total emissions (t)* | Emission concentration (mg/L)* | Pollutant emission standards implemented  | Method of emission   | Number of outlets | Distribution of outlets   |
|--|-------------------------|--------------------------------|----------------------|--------------------------------|---|--|-------------------|---|
| Dexing Copper Mine                             | pH                      | /                              | /                    | 7.30                           | Standards in the Table 2 of the "Emission Standard of Industrial Pollutants for Copper, Nickel and Cobalt" (GB25467-2010) | Direct emission  | 4                 | In the mining area  |
|  |                         |                                |                      | (Dimensionless)                |   |  |                   |   |
|  | COD                     | 480                            | 243.38               | 13.17                          |   |  |                   |   |
|  | Ammonia nitrogen        | 108.11                         | 19.14                | 1.04                           |   |  |                   |   |
|  | Suspended matter        | /                              | 259.11               | 14.02                          |   |  |                   |   |
|  | Total copper            | /                              | 0.61                 | 0.033                          |   |  |                   |   |
|  | Total lead              | /                              | 0.021                | 0.001                          |   |  |                   |   |
|  | Total zinc              | /                              | 1.33                 | 0.072                          |   |  |                   |   |
| Jiangxi Copper Dexing Chemical Company Limited | Total cadmium           | /                              | 0.017                | 0.0009                         | "Emission Standard of Pollutants for Sulphuric Acid Industry" (GB 26132-2010)   | Phases I and II acid production tail gas discharged from outlet, domestic sewage discharged to the park sewage treatment plant | 3                 | Phases I and II acid production tail gas outlet, domestic sewage outlet |
|  | Sulphur dioxide         | 750                            | 113.593              | 149.04 (mg/m <sup>3</sup> )    |   |  |                   |   |
|  | Sulphuric acid mist     | /                              | 2.479                | 6.495 (mg/m <sup>3</sup> )     |   |  |                   |   |
|  | Particulates            | /                              | 23.369               | 30.67 (mg/m <sup>3</sup> )     |   |  |                   |   |
|  | BOD <sub>5</sub>        | 1.5                            | 0.109                | 15.2                           |   |  |                   |   |
| Yongping Copper Mine                           |                         |                                |                      |                                | "First-Level Standard of Integrated Sewage Discharge Standard"  | Organised emission after meeting standards   | 2                 | In the mining area  |
|  | COD                     | 297.57                         | 108.97               | 8.37                           |   |  |                   |   |
|  | Ammonia nitrogen        | 27.15                          | 4.46                 | 0.35                           |   |  |                   |   |
|  | Total copper            | /                              | 0.15                 | 0.018                          |   |  |                   |   |
|  | Total lead              | /                              | 0.02                 | 0.0015                         |   |  |                   |   |
|  | Total zinc              | /                              | 1.2                  | 0.12                           |   |  |                   |   |
|  | Total cadmium           | /                              | 0.21                 | 0.0058                         |   |  |                   |   |
|  | Suspended matter        | /                              | 515.85               | 37.98                          |   |  |                   |   |
| pH   | /                       | /                              | 7.20                 | (Dimensionless)                |   |  |                   |   |

## Environmental and Social Responsibility

| Company name             | Name of major pollutant | Total emissions approved (t/a) | Total emissions (t) | Emission concentration (mg/L) | Pollutant emission standards implemented  | Method of emission                          | Number of outlets | Distribution of outlets            |
|--------------------------|-------------------------|--------------------------------|---------------------|-------------------------------|---|---|-------------------|------------------------------------|
| Wushan Copper Mine       | COD                     | 262.13                         | 21.75               | 8                             | Standards in the Table 2 of the "Emission Standard of Industrial Pollutants for Copper, Nickel and Cobalt" (GB25467-2010) | Organised emission after meeting standards  | 2                 | In the mining area                 |
|                          | pH                      | /                              | /                   | 7.91                          |   |   |                   |                                    |
|                          | Ammonia nitrogen        | 49.18                          | 1.14                | 0.44                          |   |   |                   |                                    |
|                          | Suspended matter        | /                              | 23.10               | 9                             |   |   |                   |                                    |
|                          | Total copper            | /                              | 0.0189              | 0.0073                        |   |   |                   |                                    |
|                          | Total zinc              | /                              | 0.0719              | 0.0277                        |   |   |                   |                                    |
|                          | Total lead              | 3.06                           | 0.0041              | 0.0016                        |   |   |                   |                                    |
| Chengmenshan Copper Mine | Total cadmium           | 0.612                          | 0.0007              | 0.0003                        | Standards in the Table 2 of the "Emission Standard of Industrial Pollutants for Copper, Nickel and Cobalt" (GB25467-2010) | Direct emission                             | 1                 | Yong'an Levee of the Yangtze River |
|                          | pH                      | /                              | /                   | 7.58                          |   |   |                   |                                    |
|                          | COD                     | 180                            | 90.27               | 42.62                         |   |   |                   |                                    |
| Yinshan Mining           | Ammonia nitrogen        | 44.96                          | 0.87                | 0.41                          | Standards in the Table 2 of the "Emission Standard of Industrial Pollutants for Copper, Nickel and Cobalt" (GB25467-2010) | Stabilised emission after meeting standards | 2                 | In the mining area                 |
|                          | Total copper            | 2.87                           | 0.24                | 0.12                          |   |   |                   |                                    |
| Yinshan Mining           | pH                      | /                              | /                   | 7.5                           | Standards in the Table 2 of the "Emission Standard of Industrial Pollutants for Copper, Nickel and Cobalt" (GB25467-2010) | Stabilised emission after meeting standards | 2                 | In the mining area                 |
|                          | COD                     | 157.4                          | 50.4785             | 12.0118                       |   |   |                   |                                    |
|                          | Ammonia nitrogen        | 9.7                            | 4.0524              | 0.9643                        |   |   |                   |                                    |
|                          | Suspended matter        | /                              | 58.3526             | 13.8855                       |   |   |                   |                                    |
|                          | Total copper            | /                              | 0.108581            | 0.03396                       |   |   |                   |                                    |
|                          | Total lead              | 0.6461                         | 0.0399              | 0.00949                       |   |   |                   |                                    |
|                          | Total zinc              | /                              | 0.9788              | 0.23291                       |   |   |                   |                                    |
|                          | Total cadmium           | 0.0969                         | 0.0087              | 0.00207                       |   |   |                   |                                    |
| Total chromium           | 0.0646                  | 0.000423                       | 0.0001              |                               |   |   |                   |                                    |

# Environmental and Social Responsibility

| Company name   | Name of major pollutant          | Total emissions approved<br>(t/a) | Total emissions<br>(t)* | Emission concentration<br>(mg/L)* | Pollutant emission standards implemented  | Method of emission  | Number of outlets | Distribution of outlets                           |
|--|----------------------------------|-----------------------------------|-------------------------|-----------------------------------|---|---|-------------------|---|
| Jiangxi Copper (Qingyuan) Company Limited                    | Sulphur dioxide                  | 36.007                            | 12.86                   | 21.55 (mg/m <sup>3</sup> )        | Special emission limit of "Emission Standard of Industrial Pollutants for Regenerated Copper, Aluminium, Lead and Zinc" (GB31574-2015); Emission concentration limit for newly-built boilers in the Table 2 of the "Emission Standard of Air Pollutants for Boilers" (GB13271-2019) | Organised emission after meeting standards  | 4                 | In the plant area                                 |
|  | Smoke (powder) dust              | 10.5153                           | 1.286                   | 8.7 (mg/m <sup>3</sup> )          |   |   |                   |   |
|  | Nitrogen oxides                  | 30.943                            | 14.68                   | 83.26 (mg/m <sup>3</sup> )        |   |   |                   |   |
|  | Lead and its compounds           | 0.011                             | 0.000002                | 0.000008 (mg/m <sup>3</sup> )     |   |   |                   |   |
|  | Cadmium and its compounds        | 0.3                               | 0.00075                 | 0.000008 (mg/m <sup>3</sup> )     |   |   |                   |   |
|  | Antimony and its compounds       | 1                                 | 0.000006                | 0.00002 (mg/m <sup>3</sup> )      |   |   |                   |   |
|  | Tin and its compounds            | 1.1                               | 0.000088                | 0.0003 (mg/m <sup>3</sup> )       |   |   |                   |   |
|  | Chromium and its compounds       | 0.5                               | 0.000393                | 0.000612 (mg/m <sup>3</sup> )     |   |   |                   |   |
| Guixi Smelter  | Sulphuric acid mist              | /                                 | 0.05444                 | 1.28 (mg/m <sup>3</sup> )         | "Emission Standard of Industrial Pollutants for Copper, Nickel and Cobalt" (GB25467-2010); "Emission Standard of Industrial Pollutants for Regenerated Copper, Aluminium, Lead and Zinc" (GB31574-2015)   | Organised emission after meeting standards  | 10                | In the plant area                                 |
|  | COD                              | 600                               | 74.65                   | 12.86                             |   |   |                   |   |
|  | Ammonia nitrogen                 | 80                                | 8.65                    | 1.49                              |   |   |                   |   |
|  | Lead                             | 2                                 | 0.41                    | 0.07                              |   |   |                   |   |
|  | Sulphur dioxide                  | 6,450                             | 239.21                  | 44.6 (mg/m <sup>3</sup> )         |   |   |                   |   |
|  | Particulates                     | 165                               | 18.68                   | 3.48 (mg/m <sup>3</sup> )         |   |   |                   |   |
| Jiangxi Copper Longchang Precise Copper Pipe Company Limited | pH                               | /                                 | /                       | 7.25                              | "Management Standard of Qingshan Lake Sewage Treatment Plant"; "Integrated Sewage Discharge Standard"   | Indirect emission, discharge into Qingshan Lake Sewage Treatment Plant of Nanchang City | 1                 | Sewage treatment station                          |
|  | COD <sub>Cr</sub>                | /                                 | 0.2480                  | 52.2                              |   |   |                   |   |
|  | Ammonia nitrogen                 | /                                 | 0.0270                  | 5.68                              |   |   |                   |   |
|  | Suspended matter                 | /                                 | 0.0428                  | 9                                 |   |   |                   |   |
|  | BOD <sub>5</sub>                 | /                                 | 0.0884                  | 18.6                              |   |   |                   |   |
|  | Animal and vegetable oil         | /                                 | 0.0020                  | 0.42                              |   |   |                   |   |
|  | Petroleum                        | /                                 | 0.0016                  | 0.33                              |   |   |                   |   |
|  | Total phosphorus                 | /                                 | 0.0047                  | 0.99                              |   |   |                   |   |
| JCC Copper Foil  | Total chromium                   | /                                 | 0.0035                  | 0.03                              | Table 1 of "Discharge Standard of Water Pollutants for Electronic Industry" (GB39731-2020)  | Into the copper-zinc adjusting tank from the outlet of the workshop                     | 1                 | Wastewater station in the south of the plant area |
|  | Total phosphorus (in terms of P) | /                                 | 0.1852                  | 1.59                              |   |   |                   |   |
|  | COD                              | /                                 | 14.9877                 | 101.62                            |   |   |                   |   |
|  |                                  | /                                 |                         |                                   |   |   |                   |   |

# Environmental and Social Responsibility

| Company name  | Name of major pollutant | Total emissions approved<br>(t/a) | Total emissions<br>(t) | Emission concentration<br>(mg/L) | Pollutant emission standards implemented   | Method of emission                         | Number of outlets | Distribution of outlets |
|---|-------------------------|-----------------------------------|------------------------|----------------------------------|--|--|-------------------|-------------------------|
| Jiangtong-Wengfu Chemical Engineering Company Limited | Sulphur dioxide         | 448                               | 71.6                   | 98.8 (mg/m <sup>3</sup> )        | "Emission Standard of Pollutants for Sulphuric Acid Industry" (GB26132-2010)   | Organised emission after meeting standards | 1                 | In the plant area       |
| Humon Smelting  | Sulphur dioxide         | 239.323                           | 46.88                  | 5.23mg/m <sup>3</sup>            | "Integrated Emission Standard for Regional Air Pollutants in Shandong Province" (DB/37 2376-2019)                      | Organised emission after meeting standards | 9                 | In the plant area       |
|   | NO <sub>x</sub>         | 478.017                           | 148.28                 | 25.24mg/m <sup>3</sup>           |  |  |                   |                         |
|   | Particulates            | 45.2394                           | 10.17                  | 2.56mg/m <sup>3</sup>            |  |  |                   |                         |
|   | Lead                    | 711.477kg                         | 179.92kg               | 0.038mg/m <sup>3</sup>           | "Emission Standard of Air Pollutants for Industrial Furnace and Kiln in Shandong Province" (DB/37 2375-2019/2376-2019) | 11   |                   |                         |
|   | Arsenic                 | 273.296kg                         | 61.87kg                | 0.027mg/m <sup>3</sup>           |  |  |                   |                         |
| Weihai Humon Mine Smelting Development Co., Ltd.      | Particulates            | 33.55                             | 0.796                  | 1.21mg/m <sup>3</sup>            | "Integrated Emission Standard for Regional Air Pollutants in Shandong Province" (DB/37 2376-2019)                      | Organised emission after meeting standards | 1                 | In the plant area       |

## 2. Construction and operation of pollution prevention and control facilities

The Company actively puts the concept of "Green Development, Environmental Protection Priority" into practice, actively adapts to new situations and new requirements of safety and environmental protection work, solidly performs the main responsibility of enterprise safety production, continuously increases its investment in environmental protection, carries out construction for pollution prevention and control capabilities, and implements a number of ecological restoration and environmental management projects. During the Reporting Period, the Company continued to strengthen the operation and maintenance of environmental protection facilities, the operation of environmental protection facilities was in good condition with no major pollution accidents occurred.

# Environmental and Social Responsibility

## 3. Environmental impact assessment and other environmental protection administrative licensing of construction projects

| Company name                                     | Key projects  | Environmental assessment issuance/acceptance | Approval/acceptance   |
|--|---|--|---|
| Humon Smelting                                   | Precious Metal Resource Comprehensive Recycling and Utilisation Technology Improvement Project  | Passed acceptance                            | Yantai Environmental Protection Bureau (Yan Huan Shen [2017] No. 40)/Yantai Ecological Environment Bureau (Yan Huan Ping Han [2019] No. 8)  |
|  | Integrated Smelting and Comprehensive Recycling Technology Improvement Project for Complex Gold Concentrate and Hazardous Wastes Containing Non-ferrous Metal | Passed acceptance                            | Yantai Ecological Environment Bureau (Yan Huan Shen [2020] No. 1)/Self-acceptance (19 June 2021)  |
|  | Double Bottom Blowing Pyrometallurgical Gold Extraction Technology Improvement Project  | Passed acceptance                            | Yantai Ecological Environment Bureau (Yan Huan Shen [2020] No. 30)/Self-acceptance (23 April 2022)  |
|  | Multi-element Complex Gold Concentrate Resource Comprehensive Recycling Technology Improvement Project  | Passed acceptance                            | Yantai Ecological Environment Bureau (Yan Huan Shen [2022] No. 7)/Self-acceptance (20 October 2022)   |
|  | High Purity New Material Research and Industrialisation Project   | Passed acceptance                            | Yantai Environmental Protection Bureau (Yan Huan Shen [2019] No. 19)/Self-acceptance (27 December 2022)   |
| Weihai Humon Mine Smelting Development Co., Ltd. | Phosphogypsum Comprehensive Utilisation and Industrial Upgrading Project  | Passed acceptance                            | Department of Environmental Protection of Shandong Province (Lu Huan Shen [2009] No. 147)/Department of Environmental Protection of Shandong Province (Lu Huan Yan [2011] No. 89) |
|  | Comprehensive Recycling Technology Improvement Project for Valuable Elements in Gold-bearing Polymetallic Ore   | Under construction                           | Weihai Ecological Environment Bureau (Wei Huan Shen Shu [2020] No. 15)  |

## Environmental and Social Responsibility

### 4. Contingency plan for emergency environmental incidents

In order to effectively prevent, timely control and eliminate the harm caused by emergency environmental incidents, establish and improve the response mechanism for emergency environmental pollution incidents, improve the ability of the Company in responding to emergency environmental incidents, maximise prevention and minimise emergency pollution incidents and the resulting losses to the greatest extent, safeguard public safety, maintain social stability, and promote the comprehensive, coordinated and sustainable development of economy and society, the Company's subsidiaries have all developed the "Contingency Plan for Emergency Environmental Incidents" and reported and filed to the environmental protection authorities.

### 5. Environmental self-monitoring programs

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

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

### 6. Administrative penalties imposed for environmental issues during the Reporting Period

Not applicable

# Environmental and Social Responsibility

## 7. Other environmental information that should be disclosed

| Company name       | Environmental protection construction<br>Environmental protection   |  | Reuse rate<br>of industrial<br>water<br>(%) |
|--------------------|---|--|---|
|                    | System establishment  | Main measures  |   |
| Guixi Smelter      | "Wastewater Control Process of Guixi Smelter",<br>"Exhaust Gas Control Process of Guixi Smelter",<br>"Solid Waste Control Process of Guixi Smelter",<br>"Contingency Plan for Emergency Environmental<br>Incidents of Guixi Smelter" (2023 version)   | Exhaust gas online monitoring<br>device renovation and<br>upgrading, ultra-low<br>emission transformation<br>project of environmental<br>flue gas collection and<br>desulphurisation facility in<br>the first smelting system                                      | 99.16                                       |
| Dexing Copper Mine | "Ecological Environment Protection Management<br>Measures of Dexing Copper Mine", "Management<br>Measures for Hazardous Waste of Dexing Copper<br>Mine (2022 version)", "Management Measures for<br>General Industrial Solid Waste of Dexing Copper<br>Mine (2022 version)", "Environmental Protection<br>Responsibility System for All Employees of Dexing<br>Copper Mine of Jiangxi Copper Company Limited<br>(2022 version)", "Ecological Environmental<br>Protection Management Measures of Chemical<br>Companies", "Management Measures for General<br>Industrial Solid Waste of Chemical Companies" | Newly-added ecological<br>monitoring equipment,<br>crushed ore cone feeding<br>platform remediation,<br>ecological restoration<br>projects of the upper<br>excavation slope of Zhujia<br>Acidic Reservoir and the<br>northern slope of Fujjawu<br>Acidic Reservoir | 92.90                                       |
| Wushan Copper Mine | "Environmental Protection Management System of<br>Wushan Copper Mine", "Environmental Protection<br>Facilities Management System of Wushan Copper<br>Mine", "Environmental Protection Responsibility<br>Target Assessment Method of Wushan Copper<br>Mine", "Ecological and Environmental Protection<br>Reward and Punishment Assessment Measures of<br>Wushan Copper Mine (Trail Implementation)"  | Environmental protection<br>improvement and upgrading<br>project   | 93.92                                       |



## Environmental and Social Responsibility

| Environmental protection construction<br>Environmental protection |  |   | Reuse rate<br>of industrial<br>water<br>(%) |
|---|--|---|---|
| Company name  | System establishment   | Main measures   |   |
| Yongping Copper Mine  | "Environmental Protection Management Measures of Yongping Copper Mine", "Environmental Protection Responsibility System of Yongping Copper Mine", "Environmental Management Measures for Prevention and Control of Solid Waste Pollution of Yongping Copper Mine", "Chemical Environmental Protection Reward and Punishment System of Jiangtong-Wengfu"  | Ecological environment restoration project, upgrading of supporting facilities for the relocation of the online monitoring system for main outlet and tailings water quality  | 90.65                                       |
| Chengmenshan Copper Mine  | "Contingency Plan for Emergency Environmental Incidents of Chengmenshan Copper Mine", "Contingency Plan for Emergency Environmental Incidents of Chengmenshan Copper Mine Tailings Ponds of Jiangxi Copper Company Limited"  | Ecological restoration project for the land reclamation project in the southwest area of dumping sites, partial ecological restoration project of the east and west sides of dumping sites of Chengmenshan Copper Mine  | 98.99                                       |
| Yinshan Mining  | "Environmental Protection Management System of JCC Yinshan Mining Company Limited", "Management Measures for the Operation of Environmental Protection Facilities of JCC Yinshan Mining Company Limited", "Environmental Monitoring Management System of JCC Yinshan Mining Company Limited"   | Improvement project of rain and sewage diversion of ore dressing plant  | 91.30                                       |
| Humon Smelting  | "Ecological Environmental Protection Management System" including "Ecological Environmental Protection Responsibility System", "Environmental Protection Education and Training Management System", "Construction Project Ecological Environmental Protection Management System", "Pollution Prevention and Control Management System", "Environmental Monitoring Management System", "Environmental Protection Facilities Operation Management System" and etc. | Implementing projects such as upgrading and renovation of the environmental flue gas collection and treatment facilities of the first smelting company, Liaoshang gold mine green mine (soil and water conservation) construction, comprehensive treatment and renovation of smelting wastewater, fully-enclosed renovation of raw material temporary storage area of the first smelting company, and renovation of mine water treatment facilities | 98.26                                       |

## Environmental and Social Responsibility

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

Not applicable

**(III) Explanation on subsequent development or changes on disclosure of environmental protection information during the Reporting Period**

Not applicable

**(IV) Relevant information that is beneficial to ecological protection, prevention and control of pollution and environmental responsibility fulfillment**

Not applicable

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

To further strengthen carbon emission management, promote greenhouse gas emission reduction, and implement the Company's carbon peaking and neutrality plan, the Company established a carbon peaking and neutrality management sector within the safety and environmental protection department, responsible for the daily carbon peaking and neutrality management. In addition, the Company actively advanced the project of "Carbon Footprint Calculation of Copper-based Products and Research on Carbon Reduction Potential along the Entire Industry Chain", focusing on reviewing the current status of key industrial processes such as copper ore mining and dressing, copper smelting, processing and application of copper materials and alloys, recycling and utilisation of regenerated copper, as well as energy consumption and carbon emissions, and to build a method for extracting knowledge characteristics from multi-source heterogeneous data of material flow, energy flow and carbon emissions of the copper-based industry.

# Environmental and Social Responsibility

## II. CONSOLIDATING AND EXPANDING ACHIEVEMENTS IN POVERTY ALLEVIATION, RURAL REVITALISATION AND OTHER SPECIFIC WORK

In the first half of 2024, the Company assisted the stationed team in the village of JCC, its controlling shareholder, actively cooperated and supported the “two committees” of Yaoqian Village, Dongshang Town, Jinggangshan, to focus on promoting organisational development, consolidating the achievements in poverty alleviation, enhancing the management of characteristic industries, strengthening public facility construction, and maintaining close contact with the villagers, and made active efforts in strengthening organisation, comprehensive governance, enriching the villagers and strengthening the village, effectively promoting the revitalisation and development of Yaoqian Village.

1. In terms of supporting industrial development, firstly, the Company cooperated with the “two committees” of the village to ensure the maintenance and management of existing industries, carrying out weeding, fertilising, plowing and other works in the white lotus base and camellia base. Secondly, the Company collaborated with the village and township to establish a comprehensive planting and breeding base in Aoxiazu of Yaoqian Village. Over 170 mu of fallow land and more than 100 mu of mountain forest land have been transferred from villagers, with more than 100 mu of camellia forests contracted to farmers. Crops such as 110 mu of nai plums, 20 mu of watermelon, 160 mu of pumpkin and 70 mu of pennisetum hydridum were planted, among which the pumpkin and watermelon cultivation was part of the agroforestry economic project. Thirdly, the Company cooperated with the “two committees” of the village to restore over 350 mu of fallow land throughout the village in accordance with the industrial development planning of the higher-level party committee and government.
2. In terms of infrastructure construction, firstly, the Company communicated and negotiated with China Mobile and China Unicom on the preliminary work of digital rural construction, formulated relevant implementation plans and detailed quotations. Secondly, the Company beautified and brightened the cultural activity centre. Thirdly, the Company conducted inspections and maintenance of facilities and equipment at the outdoor park of the Childlike Innocence Harbour and the exercise plaza. Fourthly, the Company carried out inspection and repairs on some old lighting facilities within the village area.
3. In terms of the implementation of services for the people, firstly, the stationed team in the village and “two committees” of the village carried out the Spring Festival visits in the village, providing local poverty alleviated households with rapeseed oil, rice, consolation money, etc.. Secondly, the Company gathered local stay-behind children and volunteers every weekend to carry out a series of activities such as family companionship, festival activities, education on the history of revolution and academic tutoring. Thirdly, the Company assisted the insured villagers in the village to make payments for the 2024 medical insurance, new rural insurance and Fucunbao Insurance (福村寶), and assisted family doctors in conducting regular home visits to check on the health conditions of villagers. Fourthly, the Company cooperated with the “two committees” of the village to post slogans throughout the village regarding customs reform, fire and drowning prevention, while ensuring the relevant safeguard work.

# Significant Events

## I. PERFORMANCE OF UNDERTAKINGS

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

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

*Note 1:*

1. In the production and operation activities, the Company enjoys full autonomy in production and operations under the Company Law of the PRC. JCC has undertaken not to interfere with the daily operations and decisions of the Company, unless such actions are performed through the Board.
2. (I) During the period when JCC holds 30% or more voting rights in the share capital of the Company, JCC shall make its best endeavors to ensure the independence of the Board pursuant to the requirements set out by the London Stock Exchange and the Stock Exchange; and shall ensure that the majority of the Directors are independent Directors (namely those independent of JCC and China National Non-ferrous Metals Industry Corporation) in accordance with the requirements of the London Stock Exchange.
- (II) During the period when JCC holds 30% or more voting rights in the share capital of the Company, JCC shall exercise its shareholder voting rights to ensure that no amendment to the articles of association of the Company (the "**Articles of Association**") that may impact the independence thereof shall be made.

## Significant Events

3. During the period when JCC holds 30% or more voting rights in the share capital of the Company, JCC, its subsidiaries and related companies (including the companies, enterprises and businesses controlled by JCC, except those controlled through the Company) shall not engage in any activities or businesses that are or may be in direct or indirect competition with the businesses of the Company.
4. JCC has undertaken to assist the Company in obtaining governmental approvals with respect to the businesses of the Company.
5. In the event that JCC carries out actions such as transfers and disposals of the land use rights of Dexing Copper Mine, Yongping Copper Mine and Guixi Smelter, the Company shall have the pre-emptive right.
6. JCC gives an option to the Company that the Company can purchase from JCC Group any mines, smelters or refineries that are currently or will be owned and/or operated in the future or any rights of mining or exploration that are currently or will be held in the future by JCC.

*Note 2:* Details of dividend undertakings

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

## Significant Events

*Note 3:*

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

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

**I. Misappropriation of funds by controlling shareholders and other connected parties for non-operation purpose during the Reporting Period**

Not applicable

**II. Guarantees in violation of regulations**

Not applicable

**III. Audit of interim report**

Not applicable

# Significant Events

## II. APPOINTMENT AND REMOVAL OF ACCOUNTING FIRMS

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

On 6 June 2024, the Company held the annual general meeting and passed the Resolution of Jiangxi Copper Company Limited on the Appointment of Ernst & Young Hua Ming LLP and Ernst & Young respectively as the Company's 2024 Domestic and Overseas Auditors.

### 2. The Company's explanation for "non-standard audit report" given by accounting firms

Not applicable

### 3. The Company's explanation on the issuance of "non-standard audit report" by the registered accountant in the financial statements of last year's annual report

Not applicable

## III. MATTERS RELATING TO BANKRUPTCY AND RESTRUCTURING

Not applicable

## IV. MATERIAL LITIGATION AND ARBITRATION

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

| Brief description and type of the 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 (contractual dispute)                            | 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 (contractual dispute) | The announcement of the Company dated 21 June 2019 |

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

Not applicable

## Significant Events

### V. SUSPECTED VIOLATION OF LAWS AND REGULATIONS BY, PUNISHMENT ON AND RECTIFICATION OF THE COMPANY AND ITS DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT, CONTROLLING SHAREHOLDERS AND DE FACTO CONTROLLERS

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

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

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



## Significant Events

### VI. EXPLANATION ON THE CREDIT CONDITIONS OF THE COMPANY, ITS CONTROLLING SHAREHOLDERS AND DE FACTO CONTROLLERS DURING THE REPORTING PERIOD

Not applicable

### VII. MATERIAL CONNECTED TRANSACTIONS

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

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

| Brief description of the event  | Reference for inspection                            |
|---|---|
| The entering into of the Supplemental Agreement in respect of the Financial Services Agreement between JCC Finance and JCC, the Company's controlling shareholder | The announcement of the Company dated 26 April 2024 |

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

Not applicable

# Significant Events

## 3. Continuing connected transactions

Unit: Yuan Currency: RMB

| Connected Party | Connected relationship  | Type of connected transaction   | Subject matter of connected transaction | Pricing policy of connected transaction     | Price of connected transaction | Amount of connected transaction | Percentage of the amount of the same type of transactions (%) | Settlement method of connected transaction | Market Price | Reasons for the significant difference between transaction price and market reference price |
|-----------------|-------------------------|---|---|---|--------------------------------|---------------------------------|---|--|--------------|---|
| JCC             | Controlling shareholder | Sales of goods  | Copper rods and wires                   | Market price                                | 67,737.72                      | 407,603,807                     | 0.71  | Payment upon acceptance                    |              |   |
| JCC             | Controlling shareholder | Sales of goods  | Copper cathode                          | Market price                                | 65,090.08                      | 1,055,960,060                   | 0.74  | Payment upon acceptance                    |              |   |
| JCC             | Controlling shareholder | Sales of goods  | Ancillary industrial products           | Market price                                |                                | 14,400,587                      | 0.32  | Payment upon acceptance                    |              |   |
| JCC             | Controlling shareholder | Sales of goods  | Silver and silver concentrates          | Market price                                |                                | 239,219,433                     | 2.75  | Payment upon acceptance                    |              |   |
| JCC             | Controlling shareholder | Sales of goods  | Lead materials                          | Market price                                |                                | 35,373,420                      | 100   | Payment upon acceptance                    |              |   |
| JCC             | Controlling shareholder | Sales of goods  | Ancillary materials                     | Market price                                |                                | 11,559,453                      | 0.26  | Payment upon acceptance                    |              |   |
| JCC             | Controlling shareholder | Sales of goods  | Sulphuric acid and steel balls          | Market price                                |                                | 1,999,258                       | 100   | Payment upon acceptance                    |              |   |
| JCC             | Controlling shareholder | Sales of goods  | Zinc concentrates                       | Market price                                |                                | 16,220,550                      | 100   | Payment upon acceptance                    |              |   |
| JCC             | Controlling shareholder | Sales of goods  | Gold concentrates                       | Market price                                |                                | 321,635,382                     | 100.00  | Payment upon acceptance                    |              |   |
| JCC             | Controlling shareholder | Purchase of goods   | Ancillary industrial products           | Market price                                |                                | 48,349,358                      | 1.12  | Payment upon acceptance                    |              |   |
| JCC             | Controlling shareholder | Purchase of goods   | Silver                                  | Market price                                |                                | 1,328,891,495                   | 16.92   | Payment upon acceptance                    |              |   |
| JCC             | Controlling shareholder | Purchase of goods   | Gold                                    | Market price                                |                                | 403,852,639                     | 1.17  | Payment upon acceptance                    |              |   |
| JCC             | Controlling shareholder | Purchase of goods   | Copper concentrates                     | Market price                                |                                | 18,684,782                      | 0.11  | Payment upon acceptance                    |              |   |
| JCC             | Controlling shareholder | Purchase of goods   | Sulphuric acid and steel balls          | Market price                                |                                | 5,512,662                       | 0.73  | Payment upon acceptance                    |              |   |
| JCC             | Controlling shareholder | Purchase of goods   | Copper rods and wires                   | Market price                                |                                | 179,996                         | 100   | Payment upon acceptance                    |              |   |
| JCC             | Controlling shareholder | Purchase of goods   | Blister copper                          | Market price                                |                                | 5,755,416                       | 0.155   | Payment upon acceptance                    |              |   |
| JCC             | Controlling shareholder | Provision of services   | Construction services                   | Industry standards                          |                                | 159,800,513                     | 49.71   | Settlement according to project progress   |              |   |
| JCC             | Controlling shareholder | Provision of services   | Transport services                      | Freight price standards in Jiangxi Province |                                | 18,772,036                      | 14.09   | Monthly payment                            |              |   |
| JCC             | Controlling shareholder | Provision of services   | Others                                  | Industry standards                          |                                | 35,762,384                      | 62.12   | Monthly payment                            |              |   |
| JCC             | Controlling shareholder | Expenses of public utilities such as water, electricity and gas (sales) | Electricity services                    | Costs plus tax                              |                                | 1,330,043                       | 100   | Monthly payment                            |              |   |

## Significant Events

| Connected Party | Connected relationship  | Type of connected transaction   | Subject matter of connected transaction                   | Pricing policy of connected transaction  | Price of connected transaction | Amount of connected transaction | Percentage of the amount of the same type of transactions | Settlement method of connected transaction | Market Price | Reasons for the significant difference between transaction price and market reference price |
|-----------------|-------------------------|---|---|--|--------------------------------|---------------------------------|---|--|--------------|---|
| JCC             | Controlling shareholder | Rent and lease  | Rental income from public utilities                       | Shared in accordance with costs and the proportion of staff of both parties  |                                | 209,034                         | 2.18  | Monthly payment                            |              |   |
| JCC             | Controlling shareholder | Expenses of public utilities such as water, electricity and gas (sales) | Water services  | Costs plus tax   |                                | 30,888                          | 100   | Monthly payment                            |              |   |
| JCC             | Controlling shareholder | Loans   | Cumulative provision of loans                             | Based on the benchmark interest rate promulgated by the People's Bank of China or not less favourable than the similar credit terms offered to JCC by other domestic financial institutions or credit cooperatives |                                | 2,283,110,000                   | 100   | Payment according to the loan agreements   |              |   |
| JCC             | Controlling shareholder | Loans   | Interest income from loans provided                       | Based on the benchmark interest rate promulgated by the People's Bank of China or not less favourable than the similar credit terms offered to JCC by other domestic financial institutions or credit cooperatives |                                | 44,041,624                      | 100   | Monthly or quarterly payment               |              |   |
| JCC             | Controlling shareholder | Borrowings  | Interest expense for deposits accepted                    | Based on the benchmark interest rate promulgated by the People's Bank of China or not less favourable than the similar credit terms offered to JCC by other domestic financial institutions or credit cooperatives |                                | 25,224,284                      | 100   | Monthly or quarterly payment               |              |   |
| JCC             | Controlling shareholder | Finance lease   | Finance lease interest expenses                           | Based on the benchmark interest rate promulgated by the People's Bank of China or not less favourable than the similar credit terms offered to JCC by other domestic financial institutions or credit cooperatives |                                | 1,562,413                       | 100   | Monthly or quarterly payment               |              |   |
| JCC             | Controlling shareholder | Acceptance of labour services   | Labour services   | Market price   |                                | 67,962,754                      | 100   | Monthly payment                            |              |   |
| JCC             | Controlling shareholder | Rent and lease  | Rental expense of land use rights                         | Market price   |                                | 98,111,474                      | 100   | Monthly payment                            |              |   |
| JCC             | Controlling shareholder | Acceptance of agency services   | Brokerage agency services for commodity futures contracts | Market price   |                                | 4,711,702                       | 17.68   | Payment upon completion of transactions    |              |   |

## Significant Events

| Connected Party                       | Connected relationship  | Type of connected transaction | Subject matter of connected transaction        | Pricing policy of connected transaction  | Price of connected transaction | Amount of connected transaction | Percentage of the amount of the same type of transactions (%) | Settlement method of connected transaction | Market Price | Reasons for the significant difference between transaction price and market reference price |
|---------------------------------------|-------------------------|-------------------------------|--|--|--------------------------------|---------------------------------|---|--|--------------|---|
| JCC                                   | Controlling shareholder | Acceptance of labour services | Repair and maintenance services                | Industry standards   |                                | 24,343,161                      | 65.83   | Monthly payment                            |              |   |
| JCC                                   | Controlling shareholder | Acceptance of labour services | Procurement of spare parts and processed parts | Market price   |                                | 2,934,975                       | 0.52  | Payment upon acceptance                    |              |   |
| JCC                                   | Controlling shareholder | Acceptance of labour services | Construction services                          | Industry standards   |                                | 27,987,490                      | 8.71  | Settlement according to project progress   |              |   |
| JCC                                   | Controlling shareholder | Acceptance of labour services | Transport services                             | Industry standards   |                                | 127,090                         | 0.16  | Monthly payment                            |              |   |
| Total                                 |                         |                               |  | /  | /                              | 6,711,220,163                   | /   | /  | /            | /   |
| Details of substantial sales return   |                         |                               |  | During the Reporting Period, there was no substantial sales return.  |                                |                                 |   |  |              |   |
| Explanation of connected transactions |                         |                               |  | During the Reporting Period, the material and recurring connected transactions between the Group and its connected parties amounted to RMB6.711 billion, including purchase transactions of RMB2.037 billion, sales transactions of RMB2.320 billion, deposit and loan transactions of JCC Finance of RMB2.352 billion and finance lease transactions of RMB0.002 billion. |                                |                                 |   |  |              |   |

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

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

Not applicable

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

Not applicable

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

Not applicable

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

Not applicable

## Significant Events

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

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

Not applicable

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

Not applicable

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

Not applicable

### (IV) Connected credits and liabilities

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

Not applicable

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

Not applicable

## Significant Events

### 3. Events not disclosed in extraordinary announcements

Unit: 0'000 Yuan Currency: RMB

| Connected party | Connected relationship  | Funds provided to connected parties |                 |                 | Funds offered by connected parties to the Company |                 |                 |
|-----------------|-------------------------|-------------------------------------|-----------------|-----------------|---|-----------------|-----------------|
|                 |                         | Opening balance                     | Amount incurred | Closing balance | Opening balance                                   | Amount incurred | Closing balance |
| JCC             | Controlling shareholder | 236,897                             | 75,837          | <b>312,734</b>  | 596,872   | 387,880         | <b>984,752</b>  |
| Total           |                         | 236,897                             | 75,837          | <b>312,734</b>  | 596,872   | 387,880         | <b>984,752</b>  |

Reasons for the formation of connected credits and liabilities

On 29 December 2023, JCC Finance, a wholly-owned subsidiary of the Company, and JCC, the largest shareholder of the Company, entered into the new Financial Services Agreement, the term of which shall be from 1 January 2024 to 31 December 2026. According to the agreement, a proportion of deposits and loans of JCC which were deposited in financial institutions from 1 January 2024 to 31 December 2026 would be transferred to JCC Finance as deposits and loans in accordance with market principles, among which, the daily balance of the transferred loans (referring to comprehensive credit services provided to member companies of JCC Group, including the provision of loans, discounted bills, commercial note acceptance, issuance of letters of guarantee, provision of overdraft facility, account receivable factoring and finance leases) would not exceed RMB2.4 billion; and the daily balance of loans should not exceed the daily balance of transferred deposits in order to create "net deposit", and the transferred deposits shall serve as guarantee to the transferred loans.

On 26 April 2024, JCC Finance and JCC entered into the Supplemental Agreement in respect of the Financial Services Agreement, and adjusted the daily balance of the transferred loans to not more than RMB3.5 billion.

Impacts of connected credits and liabilities on the operating results and financial position of the Company

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

## Significant Events

### (V) Financial business between the Company and financial companies with connected relationships, and between the Company's controlled financial companies and connected parties

#### 1. Deposit business

Unit: 0'000 Yuan Currency: RMB

| Connected party | Connected relationship  | Daily maximum deposit limit | Deposit interest rate range | Opening balance | Amount incurred for the current period        |   | Closing balance |
|-----------------|-------------------------|-----------------------------|-----------------------------|-----------------|---|---|-----------------|
|                 |                         |                             |                             |                 | Total deposited amount for the current period | Total drawn amount for the current period |                 |
| JCC             | Controlling shareholder | Nil                         | 0.35%-3.85%                 | <b>596,872</b>  | 9,481,149                                     | 9,093,269                                 | <b>984,752</b>  |
| Total           | /                       | /                           | /                           | <b>596,872</b>  | 9,481,149                                     | 9,093,269                                 | <b>984,752</b>  |

#### 2. Loan business

Unit: 0'000 Yuan Currency: RMB

| Connected party | Connected relationship  | Loan Limit | Loan interest rate range | Opening balance | Amount incurred for the current period   |  | Closing balance |
|-----------------|-------------------------|------------|--------------------------|-----------------|--|--|-----------------|
|                 |                         |            |                          |                 | Total lent amount for the current period | Total repaid amount for the current period |                 |
| JCC             | Controlling shareholder | 350,000    | 2.6%-3.75%               | <b>236,897</b>  | 222,688                                  | 146,851                                    | <b>312,734</b>  |
| Total           | /                       | /          | /                        | <b>236,897</b>  | 222,688                                  | 146,851                                    | <b>312,734</b>  |

## Significant Events

### 3. Credit business or other financial business

Unit: 0'000 Yuan Currency: RMB

| Connected party | Connected relationship  | Business type | Total amount | Actual amount incurred |
|-----------------|-------------------------|---------------|--------------|------------------------|
| JCC             | Controlling shareholder | Credit        | 553,000      | 315,278                |

### 4. Other explanations

Not applicable

### (VI) Other material connected transactions

Not applicable

### (VII) Others

Not applicable

## VIII. MATERIAL CONTRACTS AND THEIR PERFORMANCE

### 1. Custody, contracts and leases

Not applicable



# Significant Events

## 2. Major guarantees performed and outstanding during the Reporting Period

Unit: 0'000 Yuan Currency: RMB

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

| Guarantor     | Relationship between the guarantor and the listed company | Guarantee   | Effective date of |   |                                | Guarantee type   | Whether guarantee has been performed  | Whether guarantee is overdue | Amount overdue of guarantee | Counter guarantee | Whether guarantee  |                                |                            |
|---------------|---|---|-------------------|---|--------------------------------|------------------|---------------------------------------|------------------------------|-----------------------------|-------------------|--|--------------------------------|----------------------------|
|               |   |   | Guarantee amount  | guarantee (execution date of the agreement) | Commencement date of guarantee |                  |                                       |                              |                             |                   | Expiration date of guarantee   | is provided to connected party | Connected relationship     |
| Heding Copper | Controlled subsidiary                                     | Zhejiang Fuze Group Co., Ltd. (浙江富冶集团有限公司) ("Fuze Group") | 255,000           | January 2024                                | 1 January 2024                 | 31 December 2025 | Joint and several liability guarantee | No                           | No                          | 0                 | Jiangxi Heli Environmental Protection Technology Co., Ltd. (江西和立環保科技有限公司) ("Jiangxi Heli"), Jiangxi Hefeng Environmental Technology Co., Ltd. (江西和豐環保科技有限公司) ("Jiangxi Hefeng") and Zhejiang Fuze Zhiye Co., Ltd. (浙江富冶實業有限公司) ("Zhejiang Fuze Zhiye") acted as the counter-guarantors of Fuze Group and provided a joint and several guarantee to Heding Copper with all of their own assets. | Yes                            | Participating shareholders |

|  |           |
|--|-----------|
| Total amount of guarantees incurred during the Reporting Period (excluding guarantees to subsidiaries)   | 226,173   |
| Total balance of guarantee at the end of the Reporting Period (A) (excluding guarantees to subsidiaries) | 90,469.20 |

### Guarantees provided by the Company to subsidiaries

|  |   |
|--|---|
| Total amount of guarantees to subsidiaries incurred during the Reporting Period    | 0 |
| Total balance of guarantees to subsidiaries at the end of the Reporting Period (B) | 0 |

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

|  |           |
|--|-----------|
| Total amount of guarantees (A+B)   | 90,469.20 |
| Percentage of total amount of guarantees of the net assets of the Company (%)  | 1.07      |
| Including:   |           |
| Amount of guarantees provided to shareholders, de facto controllers and their connected parties (C)                          | 0         |
| Amount of debt guarantees directly or indirectly provided to guaranteed parties with a debt to asset ratio exceeding 70% (D) | 0         |
| Amount of total guarantees exceeding 50% of net assets (E)   | 0         |
| Total amount of the above three amounts of guarantees (C+D+E)  | 0         |

## Significant Events

|                          |   |
|--------------------------|---|
| Explanation on guarantee | <ol style="list-style-type: none"><li>1. The above guarantees are all corporate credit guarantees, and do not involve mortgage guarantees, pledge guarantees, etc.;</li><li>2. The total guarantee amount of the Company includes the balance of external guarantee provided by the Company and its subsidiaries at the end of the Reporting Period (excluding guarantees to subsidiaries) and the balance of the guarantee provided by the Company and its subsidiaries to subsidiaries, among which, the balance of guarantee of a subsidiary represents the total amount of external guarantee provided by that subsidiary multiplied by the Company's shareholding percentage in that subsidiary.</li></ol> |
|--------------------------|---|

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

### 3. Other material contracts

Not applicable

# Significant Events

## IX. AUDIT COMMITTEE

The Company has convened an Audit Committee meeting at which the unaudited interim condensed consolidated financial statements and the interim results report of the Company for the Reporting Period were considered and approved.

## X. CODE ON CORPORATE GOVERNANCE PRACTICES

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

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

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 C.1.8 of the Code.

## XI. PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

### Repurchase of A shares

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

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

## Significant Events

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

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

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

## XII. 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 (the "**Model Code**") as set out in Appendix C3 to the Listing Rules. Having made specific enquiries to all Directors and Supervisors, the Company confirms that all the Directors and Supervisors have complied with the requirements of the Model Code during the Reporting Period.

## Significant Events

### XIII. CAPITAL STRUCTURE OF THE GROUP

The existing loans, cash and cash equivalents of the Group are denominated in RMB, US dollars, Hong Kong dollars and other currencies necessary for the respective businesses. The main source of fund of the Company is cash inflows from normal operating activities such as sales of products and the liquidity loans borrowed from banks, which are mainly used as funds required for the purchase of raw materials and spare parts for products and the repayment of bank borrowings upon maturity.

To strengthen financial control, the Company formulated a series of rules and policies, including the Administrative Measures for the Use of Large Amount of Fund, the Administrative Measures for the Fund of Jiangxi Copper Company Limited, the Administrative System for the Fund of Jiangxi Copper Company Limited and the Interim Measures for the Accounting of Hedging of Copper Futures of the Company.

The Company mainly locks in forward exchange rates to prevent adverse effects from the fluctuation of exchange rates by using foreign exchange derivatives, including the lock-in of the exchange rate of future financial liabilities upon maturity under forward and swap contracts.

### XIV. CHARGES ON GROUP ASSETS

Details in relation to charges on the Group's assets are set out on pages 33 to 34 of this report.

### XV. GEARING RATIO

The gearing ratio of the Company is 54%. The basis for calculating the gearing ratio is the division of total liabilities by total equity attributable to owners of the Company in the condensed consolidated statement of financial position as set out in this interim report.

# Significant Events

## **XVI. FOREIGN EXCHANGE RISK**

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

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

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

## **XVII. CONTINGENT LIABILITIES**

Not applicable

## **XVIII. EXPLANATION ON OTHER MATERIAL MATTERS**

Not applicable

# Changes in Shares and Shareholders

## I. TABLE OF CHANGES IN SHARES

### (I) Statement of changes in shares

#### 1. Statement of changes in shares

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

#### 2. Explanation on changes in shares

Not applicable

#### 3. Impact of changes in shares on earnings per share, net assets per share and other financial indicators (if any) after the end of the Reporting Period and up to the date of disclosure of the interim report

Not applicable

#### 4. Other information disclosed as deemed necessary by the Company or as required by securities regulatory authorities

Not applicable

### (II) Changes in shares subject to lock-up

Not applicable

# Changes in Shares and Shareholders

## II. SHAREHOLDERS

### (I) Total number of shareholders

|  |         |
|--|---------|
| Total number of ordinary shareholders at the end of the Reporting Period                               | 106,727 |
| Total number of preference shareholders with voting rights restored at the end of the Reporting Period | 0       |

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

#### Shareholdings of the top ten shareholders (excluding shares lent through refinancing)

Unit: Share

| Name of shareholder (full name)   | Increase/decrease during the Reporting Period | Number of shares held as at the end of the Reporting Period |       | Number of shares held subject to lock-up | Pledge, mark or freeze |        | Nature of shareholder    |
|---|---|---|-------|--|------------------------|--------|--------------------------|
|   |   | Percentage (%)  |       |  | Share status           | Number |                          |
| JCC   | -7,800  | 1,513,888,110   | 43.72 | 0  | Nil                    | 0      | State-owned legal person |
| HKSCC Nominees Limited ("HKSCC")  | 51,850  | 1,073,671,863   | 31.01 | 0  | Nil                    | 0      | Overseas legal person    |
| Hong Kong Securities Clearing Company Limited   | 55,555,625                                    | 124,677,344   | 3.60  | 0  | Nil                    | 0      | Overseas legal person    |
| China Securities Finance Corporation Limited (中國證券金融股份有限公司)   | 0   | 103,719,909   | 3.00  | 0  | Nil                    | 0      | Unknown                  |
| Yang Weiyu  | -436,200                                      | 16,114,851  | 0.47  | 0  | Nil                    | 0      | Unknown                  |
| Industrial and Commercial Bank of China Limited – Huatai-PB CSI 300 Open-ended Index Fund (中國工商銀行股份有限公司－華泰柏瑞滬深300交易型開放式指數證券投資基金)  | 4,576,300                                     | 12,326,029  | 0.36  | 0  | Nil                    | 0      | Unknown                  |
| Repurchase dedicated securities account of Jiangxi Copper Company Limited   | 10,441,768                                    | 10,441,768  | 0.30  | 0  | Nil                    | 0      | Unknown                  |
| China Construction Bank Corporation Limited – E Fund CSI 300 Open-ended Initiated Index Fund (中國建設銀行股份有限公司－易方達滬深300交易型開放式指數發起式證券投資基金)   | 5,318,500                                     | 8,147,568   | 0.24  | 0  | Nil                    | 0      | Unknown                  |
| Bank of China Corporation Limited – Harvest CSI 300 Open-ended Index Fund (中國銀行股份有限公司－嘉實滬深300交易型開放式指數證券投資基金)  | 3,563,600                                     | 5,999,014   | 0.17  | 0  | Nil                    | 0      | Unknown                  |
| Yuanxin Yongfeng Fund – Kunlun Health Insurance Company Limited – Yuanxin Yongfeng Preferred Gold Stock 2 Single Asset Management Plan (圓信永豐基金－昆侖健康保險股份有限公司－圓信永豐優選金股2號單一資產管理計劃) | -763,000                                      | 5,950,613   | 0.17  | 0  | Nil                    | 0      | Unknown                  |



## Changes in Shares and Shareholders

### Shareholdings of the top ten shareholders not subject to lock-up (excluding shares lent through refinancing)

Unit: Share

| Name of shareholder   | Number of tradable shares held not subject to lock-up | Class and number of shares                    |               |
|---|---|---|---------------|
|   |   | Class   | Number        |
| JCC   | 1,513,888,110   | Ordinary shares denominated in RMB (A shares) | 1,205,431,110 |
|   |   | Overseas listed foreign shares (H shares)     | 308,457,000   |
| HKSCC   | 1,073,671,863   | Overseas listed foreign shares (H shares)     | 1,073,671,863 |
| Hong Kong Securities Clearing Company Limited   | 124,677,344   | Ordinary shares denominated in RMB (A shares) | 124,677,344   |
| China Securities Finance Corporation Limited (中國證券金融股份有限公司)   | 103,719,909   | Ordinary shares denominated in RMB (A shares) | 103,719,909   |
| Yang Weiyu  | 16,114,851  | Ordinary shares denominated in RMB (A shares) | 16,114,851    |
| Industrial and Commercial Bank of China Limited – Huatai-PB CSI 300 Open-ended Index Fund (中國工商銀行股份有限公司－華泰柏瑞滬深300交易型開放式指數證券投資基金)  | 12,326,029  | Ordinary shares denominated in RMB (A shares) | 12,326,029    |
| Repurchase dedicated securities account of Jiangxi Copper Company Limited   | 10,441,768  | Ordinary shares denominated in RMB (A shares) | 10,441,768    |
| China Construction Bank Corporation Limited – E Fund CSI 300 Open-ended Initiated Index Fund (中國建設銀行股份有限公司－易方達滬深300交易型開放式指數發起式證券投資基金)   | 8,147,568   | Ordinary shares denominated in RMB (A shares) | 8,147,568     |
| Bank of China Corporation Limited – Harvest CSI 300 Open-ended Index Fund (中國銀行股份有限公司－嘉實滬深300交易型開放式指數證券投資基金)  | 5,999,014   | Ordinary shares denominated in RMB (A shares) | 5,999,014     |
| Yuanxin Yongfeng Fund – Kunlun Health Insurance Company Limited – Yuanxin Yongfeng Preferred Gold Stock 2 Single Asset Management Plan (圓信永豐基金－昆侖健康保險股份有限公司－圓信永豐優選金股2號單一資產管理計劃) | 5,950,613   | Ordinary shares denominated in RMB(A shares)  | 5,950,613     |

## Changes in Shares and Shareholders

|  |   |
|--|---|
| The explanation on repurchase dedicated account of top ten shareholders  | The shareholding of the repurchase dedicated securities account of Jiangxi Copper Company Limited is due to the repurchase of the Company with the use of its own funds for the purpose of safeguarding the Company's value and the interests of the shareholders. During the deposit period, the shares shall not have voting rights at general meetings, and rights including profits distribution, conversion of capital reserves into share capital, subscription for new shares and convertible corporate bonds, and shall not be pledged or lent. The A shares repurchased by the Company shall be sold in accordance with relevant regulations after 12 months from the disclosure of the implementation results of the Share Repurchase, and the sale shall be completed within 3 years from the disclosure of the implementation results of the Share Repurchase. If the Company is not able to complete the sale within the aforesaid period, the portion of the shares that have not been sold will be cancelled after fulfilling relevant regulatory requirements and the procedures stipulated in the Articles of Association. |
| 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 preference shareholders with restored voting rights and their shareholding                      | Nil   |

*Notes:*

1. HKSCC held a total of 1,073,671,863 H shares of the Company in the capacity of nominee on behalf of a number of customers, representing approximately 31.01% of the issued share capital of the Company. HKSCC is a member of the Central Clearing and Settlement System, providing registration and custodial services for customers.
2. The 308,457,000 H shares held by JCC have also been registered with HKSCC and were separately listed from the other shares held by HKSCC as nominee when disclosed in the table above. Taking into account the H shares held by JCC, HKSCC actually held 1,382,128,863 shares as nominee, representing approximately 39.91% of the issued share capital of the Company.

## Changes in Shares and Shareholders

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

*Unit: Share*

| Name of Shareholder (full name) | Number of shares held in general account and credit account at the beginning of the period |                | Shares lent and not returned through refinancing at the beginning of the period |                | Number of shares held in general account and credit account at the end of the period |                | Shares lent and not returned through refinancing at the end of the period |                |
|---------------------------------|--|----------------|---|----------------|--|----------------|---|----------------|
|                                 | Total  | Percentage (%) | Total   | Percentage (%) | Total  | Percentage (%) | Total   | Percentage (%) |
|                                 |  |                |   |                |  |                |   |                |
| JCC                             | 1,513,895,910  | 43.72          | 40,200  | 0.001          | 1,513,888,110  | 43.72          | 48,000  | 0.001          |

**Changes in the top ten shareholders and the top ten shareholders of tradable shares not subject to lock-up due to lending/returning shares through refinancing compared to the previous period**

Not applicable

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

Not applicable

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

Not applicable

## Changes in Shares and Shareholders

### (IV) Shareholders' interests and short positions

As at 30 June 2024 the interests or short positions of the shareholders, other than the Directors, Supervisors and chief executive of the Company, in the shares and underlying shares of the Company as recorded in the register of shareholders required to be kept by the Company under Section 336 of the Securities and Futures Ordinance (the "SFO") or otherwise notified to the Company were as follows:

| Name of shareholder  | Class of shares | Capacity                                  | Number of Shares<br>(Note 1) | Approximate percentage of the relevant class of shares<br>(%) | Approximate percentage of total issued shares<br>(%) |
|--|-----------------|---|------------------------------|---|--|
| JCC (Note 2)   | A shares        | Beneficial owner                          | 1,205,479,110(L)             | 58.09(L)  | 34.81(L)   |
| Jiangxi State-Owned Capital Operation Holdings Group Co. Ltd. (江西省國有資本運營控股集團有限公司)<br>(Note 2)        | A shares        | Interest of corporation controlled by you | 1,205,479,110(L)             | 58.09(L)  | 34.81(L)   |
| JCC (Notes 2 and 3)  | H shares        | Beneficial owner                          | 308,457,000(L)               | 22.23(L)  | 8.90(L)  |
| Jiangxi State-Owned Capital Operation Holdings Group Co. Ltd. (江西省國有資本運營控股集團有限公司)<br>(Notes 2 and 3) | H shares        | Interest of corporation controlled by you | 308,457,000(L)               | 22.23(L)  | 8.90(L)  |
| Brown Brothers Harriman & Co.  | H shares        | Approved lending agent                    | 76,397,733(L)                | 5.51(L)   | 2.21(L)  |
|  |                 |   | 76,397,733(P)                | 5.51(P)   | 2.21(P)  |

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

Note 2: As at 30 June 2024, JCC was held as to 90% by Jiangxi State-Owned Capital Operation Holdings Group Co. Ltd.. As such, Jiangxi State-Owned Capital Operation Holdings Group Co. Ltd. was deemed to be interested in the shares in which JCC is interested.

Note 3: 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 40,200 A shares lent.

## Changes in Shares and Shareholders

### (V) Particulars of Directors, Supervisors and senior management

1. **Changes in shareholdings of current Directors, Supervisors and senior management and those resigned during the Reporting Period**

Not applicable

***Other explanations***

Not applicable

2. **Particulars of share options granted to Directors, Supervisors and senior management during the Reporting Period**

Not applicable

3. **Other explanations**

Not applicable

### (VI) Changes in controlling shareholders or de facto controllers

Not applicable

# Directors, Supervisors, Senior Management and Employees

## I. SHAREHOLDINGS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE

As at 30 June 2024, none of the Directors, Supervisors or chief executive of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company or any associated corporations as recorded in the register required to be kept under section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

## II. EMPLOYEE INFORMATION OF THE PARENT COMPANY AND ITS MAJOR SUBSIDIARIES AS AT THE END OF THE REPORTING PERIOD

### (I) Employee Information

|   |        |
|---|--------|
| Number of in-service employees in the Company   | 11,278 |
| Number of in-service employees in major subsidiaries  | 14,455 |
| Total number of in-service employees  | 25,733 |
| Number of retired employees for whom the Company and major subsidiaries shall be liable to expenses | 0      |

#### Specialty composition

| Specialty composition category | Headcount | Percentage |
|--------------------------------|-----------|------------|
| Production                     | 17,564    | 68.25%     |
| Sales                          | 315       | 1.22%      |
| Technician                     | 3,240     | 12.59%     |
| Finance                        | 475       | 1.85%      |
| Administration                 | 4,139     | 16.08%     |
| Total                          | 25,733    | 100%       |

#### Education level

| Education level category | Headcount | Percentage |
|--------------------------|-----------|------------|
| Doctorate                | 199       | 0.77%      |
| Postgraduate             | 845       | 3.28%      |
| Undergraduate            | 5,720     | 22.23%     |
| Junior college           | 5,481     | 21.30%     |
| Technical secondary      | 1,760     | 6.84%      |
| Technical school         | 2,601     | 10.11%     |
| High school and below    | 9,127     | 35.47%     |
| Total                    | 25,733    | 100%       |

# Directors, Supervisors, Senior Management and Employees

## Age

| Age          | Headcount | Percentage |
|--------------|-----------|------------|
| 35 and below | 8,217     | 31.93%     |
| 36 to 45     | 5,605     | 21.78%     |
| 46 to 55     | 8,023     | 31.18%     |
| 56 and above | 3,888     | 15.11%     |
| Total        | 25,733    | 100%       |

## (II) Remuneration policy

During the Reporting Period, the total remuneration of employees of the Company amounted to RMB1,369,718,079.90. The Company continued to advance the position-performance remuneration mechanism and, based on the principle of rewards by efforts, made remuneration distribution according to the value of position, work techniques and performance. Staff remunerations, mainly including position salaries, performance salaries and other welfare, were assessed and distributed based on the operating performance of the Company, management responsibilities, etc.

## (III) Training scheme

The Company will formulate a practical training scheme by integrating development strategies as well as production and operation mission, so as to provide talent support and guarantee for realisation of new strategic targets of the Company, providing employees with three development channels for management talents, professional talents and skilled talents to continuously improve the overall quality of the workforce of the Company. The Company has established a series of rules and regulations such as the Administrative Measures of Jiangxi Copper Company Limited on Staff Education and Training and the Administrative Measures on Training Fund, and strives to build an all-round, multi-perspective and multi-functional staff education and training system based on “learning, evaluation and practice” for the purpose of creating a career promotion and development platform, on which employees are assigned to positions based on their strengths in fair competition.

# Corporate Bonds

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

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

#### 1. Basic information of corporate bonds

Unit: hundred million Yuan    Currency: RMB

| Name of bonds  | Abbreviation | Code   | Issue date        | Value date        | Maturity date     | Bonds balance | Interest rate (%) | Repayment of principal and interest  | Trading venue | Lead underwriter                                | Trustee   | Arrangement to ensure the suitability of investors (if any) | Whether there is any risk of termination of listing and trading |
|--|--------------|--------|-------------------|-------------------|-------------------|---------------|-------------------|--|---------------|---|---|---|---|
| 2022 Corporate Bonds (First Tranche) publicly issued to professional investors by Jiangxi Copper Company Limited | 22 JCC 01    | 137816 | 14 September 2022 | 15 September 2022 | 15 September 2025 | 20            | 2.67              | The interest is payable on a yearly basis and the principal is payable upon maturity | SSE           | China International Capital Corporation Limited | China International Capital Corporation Limited | Nil   | No  |

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

Not applicable



## Corporate Bonds

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

For details, please refer to the Announcement of Issuance Results of the 2022 Corporate Bonds (First Tranche) Publicly Issued to Professional Investors by Jiangxi Copper Company Limited disclosed by the Company on the website of the SSE on 9 September 2022.

**3. Adjustment to credit rating results**

Not applicable

**4. Changes and implementation in guarantees, debt repayment plan and other debt repayment protection measures during the Reporting Period and their impact**

Not applicable

**(II) Non-financial enterprise debt financing instruments in the inter-bank bond market**

Not applicable

**(III) Use of proceeds from corporate bonds**

None of the Company's corporate bonds involved use or rectification of proceeds during the Reporting Period.

**(IV) Other matters that shall be disclosed for special bonds**

Not applicable

## Corporate Bonds

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

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

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

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

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

No

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

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

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

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

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

Full implementation

## Corporate Bonds

### 2. Liabilities

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

##### 1.1 Debt structure of the Company

As at the beginning and the end of the Reporting Period, the balance of interest-bearing debt of the Company (not on consolidated basis of the Company) was RMB19.736 billion and RMB19.340 billion, respectively, with a period-on-period change of -2.01% during the Reporting Period.

Unit: hundred million Yuan Currency: RMB

| Type of interest-bearing debt        | Due time |                             |                    | Total amount | Amount as a percentage of interest-bearing debt (%) |
|--------------------------------------|----------|-----------------------------|--------------------|--------------|---|
|                                      | Overdue  | Within 6 months (inclusive) | More than 6 months |              |   |
| Corporate credit bonds               | -        | -                           | 20.45              | 20.45        | 10.57   |
| Bank loans                           | -        | 73.88                       | 94.87              | 168.75       | 87.25   |
| Non-bank financial institution loans | -        | -                           | -                  | 0.00         | 0.00  |
| Other interest-bearing debts         | -        | 0.82                        | 3.39               | 4.21         | 2.18  |
| <b>Total</b>                         | -        | 74.69                       | 118.71             | 193.40       | -   |

As at the end of the Reporting Period, among the Company's subsisting corporate credit bonds, the balance of corporate bonds was RMB2 billion, the balance of enterprise bonds was RMB0 billion, the balance of non-financial enterprise debt financing instruments was RMB0 billion, and a total of RMB0 billion of corporate credit bonds will be due or redeemed between September and December 2024.

## Corporate Bonds

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

As at the beginning and the end of the Reporting Period, the balance of interest-bearing debt within the scope of the Company's consolidated statements was RMB57.003 billion and RMB96.234 billion, respectively, with a period-on-period change of 68.82% during the Reporting Period.

*Unit: hundred million Yuan Currency: RMB*

| Type of interest-bearing debt        | Due time |                             |                    | Total amount  | Amount as a percentage of interest-bearing debt (%) |
|--------------------------------------|----------|-----------------------------|--------------------|---------------|---|
|                                      | Overdue  | Within 6 months (inclusive) | More than 6 months |               |   |
| Corporate credit bonds               | -        | -                           | 47.29              | 47.29         | 4.91  |
| Bank loans                           | -        | 680.38                      | 227.28             | 907.67        | 94.32   |
| Non-bank financial institution loans | -        | 0.72                        | 2.00               | 2.72          | 0.28  |
| Other interest-bearing debts         | -        | 0.88                        | 3.78               | 4.66          | 0.48  |
| <b>Total</b>                         | <b>-</b> | <b>681.98</b>               | <b>280.35</b>      | <b>962.34</b> | <b>-</b>  |

As at the end of the Reporting Period, among the Company's subsisting corporate credit bonds on a consolidated basis, the balance of corporate bonds was RMB4.7 billion, the balance of enterprise bonds was RMB0 billion, the balance of non-financial enterprise debt financing instruments was RMB0 billion, and a total of RMB0 billion of corporate credit bonds will be due or redeemed between September and December 2024.

## Corporate Bonds

### 1.3 Overseas bonds

As at the end of the Reporting Period, the balance of overseas bonds within the scope of the Company's consolidated statements was RMB0 billion, and a total of RMB0 billion of overseas bonds will be due between September and December 2024.

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

Not applicable

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

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

Not applicable

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

Not applicable

## Corporate Bonds

### (VII) Major accounting data and financial indicators as at the end of the Reporting Period and the end of last year (or the Reporting Period and the corresponding period of last year)

Unit: Yuan Currency: RMB

| Major indicators          | As at the end of the Reporting Period | As at the end of last year | Increase/decrease from the end of last year (%) |
|---------------------------|---------------------------------------|----------------------------|---|
| Liquidity ratio           | <b>1.29</b>                           | 1.45                       | -11.03  |
| Quick ratio               | <b>0.86</b>                           | 0.87                       | -1.15   |
| Asset-liability ratio (%) | <b>62.81</b>                          | 54.36                      | 15.54   |

|  | As at the Reporting Period (January to June) | As at the corresponding period of last year | Increase/decrease from the corresponding period of last year (%) |
|--|--|---|--|
| Net profit after the non-recurring profit and loss | <b>4,992,604,903</b>                         | 2,704,242,203                               | 84.62  |
| EBITDA total debt ratio                            | <b>18.64</b>                                 | 18.24                                       | 2.19   |
| Interest coverage ratio                            | <b>5.23</b>                                  | 4.82  | 8.51   |
| Cash interest coverage ratio                       | <b>-3.26</b>                                 | 6.31  | -151.66  |
| EBITDA interest coverage ratio                     | <b>6.45</b>                                  | 6.01  | 7.32   |
| Loan repayment rate (%)                            | <b>100.00</b>                                | 100.00                                      | 0.00   |
| Interest repayment rate (%)                        | <b>422.58</b>                                | 381.81                                      | 10.68  |

## II. PARTICULARS OF CONVERTIBLE CORPORATE BONDS

Not applicable

# INDEPENDENT REVIEW REPORT

**To the board of directors of Jiangxi Copper Company Limited**  
*(Incorporated in the People's Republic of China with limited liability)*

## INTRODUCTION

We have reviewed the interim financial information set out on pages 94 to 148, which comprises the condensed consolidated statement of financial position of Jiangxi Copper Company Limited (the “Company”) and its subsidiaries (the “Group”) as at 30 June 2024 and the related condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim Financial Reporting* (“IAS 34”) issued by the International Accounting Standards Board (the “IASB”). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

## SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with IAS 34.

**Ernst & Young**  
*Certified Public Accountants*

Hong Kong  
28 August 2024

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2024

|   | <i>Notes</i> | <b>2024</b><br><b>(Unaudited)</b><br><b>RMB'000</b> | 2023<br>(Unaudited)<br>RMB'000 |
|---|--------------|---|--------------------------------|
| <b>REVENUE</b>  | 4            | <b>272,193,803</b>                                  | 266,749,635                    |
| Cost of sales   |              | <b>(262,404,772)</b>                                | (260,861,023)                  |
| Gross profit  |              | <b>9,789,031</b>                                    | 5,888,612                      |
| Other income  | 4            | <b>1,087,686</b>                                    | 1,150,567                      |
| Other gains and losses, net   | 5            | <b>(2,475,280)</b>                                  | 360,771                        |
| Selling and distribution expenses   |              | <b>(194,035)</b>                                    | (186,735)                      |
| Administrative expenses   |              | <b>(1,800,719)</b>                                  | (1,722,902)                    |
| Impairment losses on financial assets, net  |              | <b>(138,284)</b>                                    | 94,436                         |
| Finance costs   |              | <b>(1,192,945)</b>                                  | (1,145,275)                    |
| Share of profits and losses of:   |              |   |                                |
| Joint ventures  |              | <b>6,800</b>  | (10,858)                       |
| Associates  |              | <b>14,944</b>                                       | 46,570                         |
| <b>PROFIT BEFORE TAX</b>  | 6            | <b>5,097,198</b>                                    | 4,475,186                      |
| Income tax  | 7            | <b>(970,107)</b>                                    | (746,906)                      |
| <b>PROFIT FOR THE PERIOD</b>  |              | <b>4,127,091</b>                                    | 3,728,280                      |
| Attributable to:  |              |   |                                |
| Owners of the Company   |              | <b>3,715,621</b>                                    | 3,472,301                      |
| Non-controlling interests   |              | <b>411,470</b>                                      | 255,979                        |
|   |              | <b>4,127,091</b>                                    | 3,728,280                      |
| <b>EARNINGS PER SHARE ATTRIBUTABLE TO<br/>ORDINARY EQUITY HOLDERS OF THE<br/>COMPANY:</b> |              |   |                                |
| – Basic and diluted   | 9            | <b>RMB1.07</b>                                      | RMB1.00                        |



# INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2024

|  | <b>2024</b><br><b>(Unaudited)</b><br><b>RMB'000</b> | 2023<br>(Unaudited)<br>RMB'000 |
|--|---|--------------------------------|
| <b>PROFIT FOR THE PERIOD</b>   | <b>4,127,091</b>                                    | 3,728,280                      |
| <b>OTHER COMPREHENSIVE INCOME</b>  |   |                                |
| Other comprehensive income that may be reclassified to profit or loss in subsequent periods:                       |   |                                |
| Debt investments at fair value through other comprehensive income:   |   |                                |
| Changes in fair value  | 5,446   | 22,606                         |
| Income tax effect  | (1,361)   | (5,652)                        |
|  | <b>4,085</b>  | 16,954                         |
| Exchange differences on translation of foreign operations  | (48,309)  | 245,978                        |
| Share of other comprehensive loss of joint ventures  | –   | (2,016)                        |
| Share of other comprehensive income of associates  | 5,272   | 108,138                        |
| Net other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods, net of tax | (38,952)  | 369,054                        |
| 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  | 5,478,983   | 3,313,644                      |
| Income tax effect  | 34  | 62                             |
|  | <b>5,479,017</b>                                    | 3,313,706                      |

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2024

|   | <b>2024</b><br><b>(Unaudited)</b><br><b>RMB'000</b> | 2023<br>(Unaudited)<br>RMB'000 |
|---|---|--------------------------------|
| Net other comprehensive income that will not be reclassified<br>to profit or loss in subsequent periods, net of tax | <b>5,479,017</b>                                    | 3,313,706                      |
| <b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD,<br/>NET OF TAX</b>  | <b>5,440,065</b>                                    | 3,682,760                      |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD,<br/>NET OF TAX</b>  | <b>9,567,156</b>                                    | 7,411,040                      |
| Attributable to:  |   |                                |
| Owners of the Company   | <b>9,152,616</b>                                    | 7,055,533                      |
| Non-controlling interests   | <b>414,540</b>                                      | 355,507                        |
|   | <b>9,567,156</b>                                    | 7,411,040                      |

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2024

|   |              | <b>30 June<br/>2024<br/>(Unaudited)<br/>RMB'000</b> | 31 December<br>2023<br>(Audited)<br>RMB'000 |
|---|--------------|---|---|
|   | <i>Notes</i> |   |   |
| <b>Non-current assets</b>                       |              |   |   |
| Property, plant and equipment                   | 10           | <b>34,348,322</b>                                   | 32,821,221                                  |
| Investment properties                           |              | <b>849,056</b>                                      | 862,161                                     |
| Right-of-use assets                             |              | <b>4,354,696</b>                                    | 4,469,411                                   |
| Goodwill  |              | <b>1,310,116</b>                                    | 1,327,305                                   |
| Other intangible assets                         |              | <b>3,414,069</b>                                    | 3,544,222                                   |
| Exploration and evaluation assets               |              | <b>593,956</b>                                      | 593,703                                     |
| Investments in joint ventures                   |              | <b>32,121</b>                                       | 25,321                                      |
| Investments in associates                       |              | <b>4,772,192</b>                                    | 4,782,515                                   |
| Financial instruments other than derivatives    | 11           | <b>15,927,080</b>                                   | 8,933,090                                   |
| Deferred tax assets                             |              | <b>714,652</b>                                      | 724,713                                     |
| Prepayments, other receivables and other assets |              | <b>1,177,716</b>                                    | 1,030,259                                   |
| Deposits for prepaid lease payments             |              | <b>631,175</b>                                      | 653,349                                     |
| Loans to related parties                        | 21           | <b>517,224</b>                                      | 321,386                                     |
| Time deposits                                   | 14           | <b>1,659,573</b>                                    | 1,587,689                                   |
| Restricted bank deposits                        | 14           | <b>995,257</b>                                      | 4,458,748                                   |
| <b>Total non-current assets</b>                 |              | <b>71,297,205</b>                                   | 66,135,093                                  |
| <b>Current assets</b>                           |              |   |   |
| Inventories                                     |              | <b>51,216,589</b>                                   | 40,538,382                                  |
| Trade and bills receivables                     | 13           | <b>7,991,521</b>                                    | 6,191,573                                   |
| Factoring receivables                           |              | <b>206,935</b>                                      | 258,986                                     |
| Prepayments, other receivables and other assets |              | <b>19,517,978</b>                                   | 6,429,806                                   |
| Loans to related parties                        | 21           | <b>2,551,330</b>                                    | 2,029,960                                   |
| Financial instruments other than derivatives    | 11           | <b>11,285,256</b>                                   | 7,573,425                                   |
| Derivative financial instruments                | 12           | <b>853,562</b>                                      | 200,584                                     |
| Time deposits                                   | 14           | <b>1,952,721</b>                                    | 1,813,340                                   |
| Restricted bank deposits                        | 14           | <b>37,083,244</b>                                   | 17,494,980                                  |
| Cash and cash equivalents                       | 14           | <b>22,402,172</b>                                   | 19,484,777                                  |
| <b>Total current assets</b>                     |              | <b>155,061,308</b>                                  | 102,015,813                                 |

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2024

|  |              | <b>30 June<br/>2024<br/>(Unaudited)<br/>RMB'000</b> | 31 December<br>2023<br>(Audited)<br>RMB'000 |
|--|--------------|---|---|
|  | <i>Notes</i> |   |   |
| <b>Current liabilities</b>                   |              |   |   |
| Trade and bills payables                     | 15           | <b>17,659,798</b>                                   | 14,973,229                                  |
| Derivative financial instruments             | 12           | <b>561,966</b>                                      | 687,511                                     |
| Other payables and accruals                  |              | <b>13,085,636</b>                                   | 9,724,451                                   |
| Dividend payable                             |              | <b>2,074,138</b>                                    | –   |
| Deposits from related parties                | 21           | <b>9,918,186</b>                                    | 6,116,216                                   |
| Deferred revenue                             |              | <b>60,338</b>                                       | 64,021                                      |
| Interest-bearing bank borrowings             | 16           | <b>76,219,222</b>                                   | 37,453,136                                  |
| Corporate bonds                              | 17           | <b>53,864</b>                                       | 55,565                                      |
| Lease liabilities                            |              | <b>175,725</b>                                      | 166,474                                     |
| Tax payable                                  |              | <b>755,166</b>                                      | 1,055,430                                   |
| <b>Total current liabilities</b>             |              | <b>120,564,039</b>                                  | 70,296,033                                  |
| <b>Net current assets</b>                    |              | <b>34,497,269</b>                                   | 31,719,780                                  |
| <b>Total assets less current liabilities</b> |              | <b>105,794,474</b>                                  | 97,854,873                                  |
| <b>Non-current liabilities</b>               |              |   |   |
| Corporate bonds                              | 17           | <b>4,674,718</b>                                    | 5,049,838                                   |
| Interest-bearing bank borrowings             | 16           | <b>14,547,392</b>                                   | 13,589,186                                  |
| Deposits from related parties                | 21           | <b>95,598</b>                                       | 104,548                                     |
| Lease liabilities                            |              | <b>290,392</b>                                      | 368,759                                     |
| Deferred tax liabilities                     |              | <b>273,362</b>                                      | 263,110                                     |
| Provision for rehabilitation                 |              | <b>301,003</b>                                      | 295,312                                     |
| Employee benefit liabilities                 |              | <b>15,069</b>                                       | 15,069                                      |
| Deferred revenue                             |              | <b>473,441</b>                                      | 445,466                                     |
| Other non-current liabilities                |              | <b>935,622</b>                                      | 974,920                                     |
| <b>Total non-current liabilities</b>         |              | <b>21,606,597</b>                                   | 21,106,208                                  |
| <b>Net assets</b>                            |              | <b>84,187,877</b>                                   | 76,748,665                                  |

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2024

|  | <i>Notes</i> | <b>30 June<br/>2024<br/>(Unaudited)<br/>RMB'000</b> | 31 December<br>2023<br>(Audited)<br>RMB'000 |
|--|--------------|---|---|
| <b>Equity</b>                                      |              |   |   |
| <b>Equity attributable to owners of the parent</b> |              |   |   |
| Share capital                                      | 18           | <b>3,462,729</b>                                    | 3,462,729                                   |
| Treasury shares                                    |              | <b>(258,748)</b>                                    | –   |
| Reserves   |              | <b>71,040,562</b>                                   | 63,959,319                                  |
|  |              | <b>74,244,543</b>                                   | 67,422,048                                  |
| <b>Non-controlling interests</b>                   |              |   |   |
|  |              | <b>9,943,334</b>                                    | 9,326,617                                   |
| <b>Total equity</b>                                |              | <b>84,187,877</b>                                   | 76,748,665                                  |

Approved on behalf of the board of directors:

\_\_\_\_\_  
**Mr. Zheng Gaoqing**  
*Director*

\_\_\_\_\_  
**Mr. Yu Minxin**  
*Director*

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2024

## For the six months ended 30 June 2024

|   | Attributable to owners of the company |                 |               |                 |               |                           |                               |                             |                     |                  |             | Non-controlling interests | Total       |
|---|---------------------------------------|-----------------|---------------|-----------------|---------------|---------------------------|-------------------------------|-----------------------------|---------------------|------------------|-------------|---------------------------|-------------|
|   | Share capital                         | Treasury Shares | Share premium | Capital reserve | Other reserve | Statutory surplus reserve | Discretionary surplus reserve | Safety fund surplus reserve | Translation reserve | Retained profits | Sub-total   |                           |             |
|   | RMB'000                               | RMB'000         | RMB'000       | RMB'000         | RMB'000       | RMB'000                   | RMB'000                       | RMB'000                     | RMB'000             | RMB'000          | RMB'000     | RMB'000                   | RMB'000     |
| At 31 December 2023 (audited)                                       | 3,462,729                             | -               | 12,647,502    | (1,438,698)     | (650,196)     | 5,844,155                 | 9,647,574                     | 652,251                     | 506,472             | 36,750,259       | 67,422,048  | 9,326,617                 | 76,748,665  |
| Profit for the period   | -                                     | -               | -             | -               | -             | -                         | -                             | -                           | -                   | 3,715,621        | 3,715,621   | 411,470                   | 4,127,091   |
| Other comprehensive income for the period                           |                                       |                 |               |                 |               |                           |                               |                             |                     |                  |             |                           |             |
| Equity investments at fair value through other comprehensive income | -                                     | -               | -             | -               | 5,479,125     | -                         | -                             | -                           | -                   | -                | 5,479,125   | (108)                     | 5,479,017   |
| Debt investments at fair value through other comprehensive income   | -                                     | -               | -             | -               | 4,085         | -                         | -                             | -                           | -                   | -                | 4,085       | -                         | 4,085       |
| Exchange differences on translation of foreign operations           | -                                     | -               | -             | -               | -             | -                         | -                             | -                           | (51,487)            | -                | (51,487)    | 3,178                     | (48,309)    |
| Share of other comprehensive income of associates                   | -                                     | -               | -             | -               | -             | -                         | -                             | -                           | 5,272               | -                | 5,272       | -                         | 5,272       |
| Total comprehensive income for the period                           | -                                     | -               | -             | -               | 5,483,210     | -                         | -                             | -                           | (46,215)            | 3,715,621        | 9,152,616   | 414,540                   | 9,567,156   |
| Contribution from non-controlling interests                         | -                                     | -               | -             | -               | -             | -                         | -                             | -                           | -                   | -                | -           | 291,969                   | 291,969     |
| Dividends paid to non-controlling shareholders                      | -                                     | -               | -             | -               | -             | -                         | -                             | -                           | -                   | -                | -           | (89,792)                  | (89,792)    |
| Shares repurchased  | -                                     | (258,748)       | -             | -               | -             | -                         | -                             | -                           | -                   | -                | (258,748)   | -                         | (258,748)   |
| Final 2023 dividend declared  | -                                     | -               | -             | -               | -             | -                         | -                             | -                           | -                   | (2,071,373)      | (2,071,373) | -                         | (2,071,373) |
| Transfer from retained profits                                      | -                                     | -               | -             | -               | -             | -                         | -                             | 98,919                      | -                   | (98,919)         | -           | -                         | -           |
| At 30 June 2024 (unaudited)   | 3,462,729                             | (258,748)       | 12,647,502    | (1,438,698)     | 4,833,014     | 5,844,155                 | 9,647,574                     | 751,170                     | 460,257             | 38,295,588       | 74,244,543  | 9,943,334                 | 84,187,877  |

\* These reserve accounts comprise the consolidated reserves of RMB71,040,562,000 (31 December 2023: RMB63,959,319,000) in the consolidated statement of financial position.

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2024

## For the six months ended 30 June 2023

|   | Attributable to owners of the company |               |                 |               |                           |                               |                             |                     |                  |             |           | Non-controlling interests | Total   |
|---|---------------------------------------|---------------|-----------------|---------------|---------------------------|-------------------------------|-----------------------------|---------------------|------------------|-------------|-----------|---------------------------|---------|
|   | Share capital                         | Share premium | Capital reserve | Other reserve | Statutory surplus reserve | Discretionary surplus reserve | Safety fund surplus reserve | Translation reserve | Retained profits | Sub-total   |           |                           |         |
|   | RMB'000                               | RMB'000*      | RMB'000*        | RMB'000*      | RMB'000*                  | RMB'000*                      | RMB'000*                    | RMB'000*            | RMB'000*         | RMB'000     | RMB'000   | RMB'000                   | RMB'000 |
| At 31 December 2022 (audited)                                       | 3,462,729                             | 12,647,502    | (1,429,703)     | 10,443,157    | 5,492,319                 | 9,647,574                     | 411,521                     | 515,200             | 32,328,351       | 73,518,650  | 8,431,507 | 81,950,157                |         |
| Profit for the period   | -                                     | -             | -               | -             | -                         | -                             | -                           | -                   | 3,472,301        | 3,472,301   | 255,979   | 3,728,280                 |         |
| Other comprehensive income for the period                           |                                       |               |                 |               |                           |                               |                             |                     |                  |             |           |                           |         |
| Equity investments at fair value through other comprehensive income | -                                     | -             | -               | 3,313,902     | -                         | -                             | -                           | -                   | -                | 3,313,902   | (196)     | 3,313,706                 |         |
| Debt investments at fair value through other comprehensive income   | -                                     | -             | -               | 16,954        | -                         | -                             | -                           | -                   | -                | 16,954      | -         | 16,954                    |         |
| Exchange differences on translation of foreign operations           | -                                     | -             | -               | -             | -                         | -                             | -                           | 146,254             | -                | 146,254     | 99,724    | 245,978                   |         |
| Share of other comprehensive loss of joint ventures                 | -                                     | -             | -               | -             | -                         | -                             | -                           | (2,016)             | -                | (2,016)     | -         | (2,016)                   |         |
| Share of other comprehensive income of associates                   | -                                     | -             | -               | -             | -                         | -                             | -                           | 108,138             | -                | 108,138     | -         | 108,138                   |         |
| Total comprehensive income for the period                           | -                                     | -             | -               | 3,330,856     | -                         | -                             | -                           | 252,376             | 3,472,301        | 7,055,533   | 355,507   | 7,411,040                 |         |
| Contribution from non-controlling shareholders                      | -                                     | -             | -               | -             | -                         | -                             | -                           | -                   | -                | -           | 423,274   | 423,274                   |         |
| Disposal of a subsidiary  | -                                     | -             | -               | -             | -                         | -                             | -                           | -                   | -                | -           | 63,333    | 63,333                    |         |
| Final 2022 dividend declared  | -                                     | -             | -               | -             | -                         | -                             | -                           | -                   | (1,731,365)      | (1,731,365) | -         | (1,731,365)               |         |
| Transfer from retained profits                                      | -                                     | -             | -               | -             | -                         | -                             | 112,837                     | -                   | (112,837)        | -           | -         | -                         |         |
| At 30 June 2023 (unaudited)   | 3,462,729                             | 12,647,502    | (1,429,703)     | 13,774,013    | 5,492,319                 | 9,647,574                     | 524,358                     | 767,576             | 33,956,450       | 78,842,818  | 9,273,621 | 88,116,439                |         |

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2024

|  | <i>Notes</i> | <b>2024</b><br><b>(Unaudited)</b><br><b>RMB'000</b> | 2023<br>(Unaudited)<br>RMB'000 |
|--|--------------|---|--------------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                              |              |   |                                |
| Profit before tax  |              | <b>5,097,198</b>                                    | 4,475,186                      |
| Adjustments for:   |              |   |                                |
| Finance costs  |              | <b>1,192,945</b>                                    | 1,145,275                      |
| Foreign exchange losses/(gains), net                                     | 5            | <b>202,171</b>                                      | (154,720)                      |
| Gains on other financial instruments, net:                               |              |   |                                |
| – Financial products and listed debentures                               | 5            | <b>(52,087)</b>                                     | (46,986)                       |
| – Listed equity investments  | 5            | <b>(10,855)</b>                                     | –                              |
| Net losses/(gains) on disposal of items of property, plant and equipment | 5            | <b>7,815</b>  | (22,937)                       |
| Fair value losses/(gains), net:  |              |   |                                |
| – Derivative financial instruments                                       | 5            | <b>(297,039)</b>                                    | (307,494)                      |
| – Listed equity investments  | 5            | <b>(20,059)</b>                                     | (13,311)                       |
| – Unlisted equity investments  | 5            | <b>4,301</b>  | (8,641)                        |
| – Income right attached to a target equity interest                      | 5            | <b>33,130</b>                                       | –                              |
| – Financial products and listed debentures                               | 5            | <b>(67,351)</b>                                     | (106,091)                      |
| Provision for/(reversal of) impairment of:                               |              |   |                                |
| – Trade and bills receivables  | 6            | <b>109,589</b>                                      | (100,123)                      |
| – Factoring receivables  | 6            | <b>12,432</b>                                       | (2,504)                        |
| – Prepayment, other receivables and other assets                         | 6            | <b>4,117</b>  | 1,717                          |
| – Loans to related parties   | 6            | <b>12,147</b>                                       | 6,474                          |
| – Property, plant and equipment  | 6            | <b>104,374</b>                                      | –                              |
| – Right-of-use assets  | 6            | <b>14,938</b>                                       | –                              |
| – Interests in a joint venture   | 6            | –   | 57,403                         |
| – Goodwill   | 6            | <b>17,189</b>                                       | –                              |
| Provision for impairment of inventories to net realisable value          | 6            | <b>598,589</b>                                      | 194,046                        |



# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2024

|   |              | <b>2024</b>         | 2023           |
|---|--------------|---------------------|----------------|
|   |              | <b>(Unaudited)</b>  | (Unaudited)    |
|   | <i>Notes</i> | <b>RMB'000</b>      | <i>RMB'000</i> |
| Depreciation/amortisation of:                                       |              |                     |                |
| – Property, plant and equipment                                     | 6            | <b>1,155,048</b>    | 1,062,709      |
| – Right-of-use assets   | 6            | <b>146,834</b>      | 145,915        |
| – Investment properties   | 6            | <b>17,394</b>       | 15,930         |
| – Other intangible assets   | 6            | <b>132,614</b>      | 138,730        |
| Dividend income from equity investments                             | 4            | <b>(6,672)</b>      | (98,131)       |
| Share of gains of joint ventures and associates                     |              | <b>(21,744)</b>     | (35,712)       |
| Losses/(gains) on disposal of interests in a subsidiary             | 5            | <b>2,547</b>        | (21,591)       |
| Gain on disposal of Interests in an associate                       | 5            | –                   | (13,162)       |
| Unwinding of an interest in rehabilitation provision                |              | <b>5,691</b>        | (672)          |
| Deferred revenue released to the statement of profit or loss        |              | <b>(18,770)</b>     | (39,495)       |
|   |              | <b>8,376,486</b>    | 6,271,815      |
| Increase in inventories   |              | <b>(11,276,796)</b> | (1,063,052)    |
| Increase in trade and bills receivables                             |              | <b>(1,909,537)</b>  | (86,539)       |
| Decrease in factoring receivables                                   |              | <b>35,199</b>       | 2,504          |
| Increase in prepayments, other receivables and other assets         |              | <b>(6,103,403)</b>  | (3,249,047)    |
| Increase in derivative financial instruments                        |              | <b>(475,485)</b>    | (528,684)      |
| Increase in loans to related parties                                |              | <b>(734,755)</b>    | (312,836)      |
| (Increase)/decrease in restricted bank deposits                     |              | <b>(1,011,179)</b>  | 386,876        |
| Increase/(decrease) in trade and bills payables                     |              | <b>2,686,569</b>    | (985,131)      |
| Increase in other payables and accruals                             |              | <b>3,070,207</b>    | 1,430,730      |
| Increase in deposits from related parties                           |              | <b>3,793,041</b>    | 5,877,370      |
| Cash (used in)/generated from operations                            |              | <b>(3,549,653)</b>  | 7,744,006      |
| Income tax paid   |              | <b>(1,250,058)</b>  | (1,279,035)    |
| <b>Net cash flows (used in)/generated from operating activities</b> |              | <b>(4,799,711)</b>  | 6,464,971      |

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2024

|   | <b>2024</b><br><b>(Unaudited)</b><br><b>RMB'000</b> | 2023<br>(Unaudited)<br>RMB'000 |
|---|---|--------------------------------|
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>             |   |                                |
| Proceeds from disposal of financial investments         | <b>6,956,022</b>                                    | 3,250,644                      |
| Proceeds from disposal of property, plant and equipment | <b>4,651</b>  | 28,292                         |
| Payments for disposal of a subsidiary                   | –   | (854)                          |
| Additional investments in associates                    | <b>(81)</b>   | (53,739)                       |
| Additions to right-of-use assets                        | <b>(35,755)</b>                                     | (90,317)                       |
| Purchases of financial investments                      | <b>(17,414,775)</b>                                 | (16,260,522)                   |
| Purchases of property, plant and equipment              | <b>(2,663,399)</b>                                  | (2,827,702)                    |
| Additions to exploration and evaluation assets          | <b>(253)</b>  | (183)                          |
| Additions to other intangible assets                    | <b>(2,192)</b>                                      | (61,236)                       |
| Dividend received from associates                       | <b>7,080</b>  | 42,414                         |
| Acquisition of subsidiaries and business combinations   | –   | (137,485)                      |
| <b>Net cash used in investing activities</b>            | <b>(13,148,702)</b>                                 | (16,110,688)                   |

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2024

|   | <b>2024</b><br><b>(Unaudited)</b><br><b>RMB'000</b> | 2023<br>(Unaudited)<br>RMB'000 |
|---|---|--------------------------------|
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                   |   |                                |
| New bank and other borrowings                                 | <b>97,411,303</b>                                   | 77,056,985                     |
| Proceeds from issue of bonds                                  | <b>585,047</b>                                      | 1,478,360                      |
| Repurchase of shares  | <b>(258,749)</b>                                    | –                              |
| Collection of pledged time deposits to secure bank borrowings | <b>(15,947,879)</b>                                 | (25,458,960)                   |
| Principal portion of lease payments                           | <b>(90,901)</b>                                     | (88,678)                       |
| Repayment of bank and other borrowings                        | <b>(59,752,467)</b>                                 | (32,070,437)                   |
| Dividends paid to non-controlling interests                   | <b>(92,559)</b>                                     | –                              |
| Interest paid   | <b>(1,312,603)</b>                                  | (870,866)                      |
| Contribution from non-controlling interests                   | <b>291,969</b>                                      | 423,273                        |
| <b>Net cash generated from financing activities</b>           | <b>20,833,161</b>                                   | 20,469,677                     |
| Net increase in cash and cash equivalents                     | <b>2,884,748</b>                                    | 10,823,960                     |
| Cash and cash equivalents at beginning of period              | <b>19,484,777</b>                                   | 14,727,876                     |
| Effect of foreign exchange rate changes, net                  | <b>32,647</b>                                       | 348,323                        |
| <b>Cash and cash equivalents at end of period</b>             | <b>22,402,172</b>                                   | 25,900,159                     |

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 1. CORPORATE INFORMATION

Jiangxi Copper Company Limited (the “Company”) was registered in the People’s Republic of China (the “PRC”) as a joint stock limited company. The registration number of the Company’s business 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 holding company is JCC, a State-owned enterprise established in the PRC, the Company’s penultimate controlling party is Jiangxi State-owned Capital Operation Holding Group Co. Ltd, and the ultimate controlling party is the State-owned Assets Supervision and Administration Commission of the People’s Government of Jiangxi Province.

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

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

### 2.1. Basis of Preparation

The interim condensed consolidated financial information for the six months ended 30 June 2024 has been prepared in accordance with IAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2023.

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 2. BASIS OF PREPARATION AND CHANGES IN THE GROUP'S ACCOUNTING POLICIES (CONTINUED)

### 2.2 Changes in Accounting Policies and Disclosures

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of the following revised International Financial Reporting Standards ("IFRSs") for the first time for the current period's financial information.

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

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

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

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

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 2. BASIS OF PREPARATION AND CHANGES IN THE GROUP'S ACCOUNTING POLICIES (CONTINUED)

### 2.2 Changes in Accounting Policies and Disclosures (Continued)

- (c) Amendments to IAS 7 and IFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The disclosure of relevant information for supplier finance arrangements is not required for any interim reporting period during the first annual reporting period in which an entity applies the amendments. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the interim condensed consolidated financial information.

## 3. OPERATING SEGMENT INFORMATION

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

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

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit before tax in related periods.

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 3. OPERATING SEGMENT INFORMATION (CONTINUED)

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.

| Six months ended 30 June 2024       | Copper related business<br>RMB'000 | Gold related business<br>RMB'000 | Total<br>RMB'000 |
|-------------------------------------|------------------------------------|----------------------------------|------------------|
| <b>Segment revenue</b>              |                                    |                                  |                  |
| Sales to external customers         | 232,193,963                        | 39,999,840                       | 272,193,803      |
| Intersegment sales                  | 1,687,390                          | 861,854                          | 2,549,244        |
| Total segment revenue               | 233,881,353                        | 40,861,694                       | 274,743,047      |
| <i>Reconciliation:</i>              |                                    |                                  |                  |
| Elimination of intersegment sales   |                                    |                                  | (2,549,244)      |
| Revenue                             |                                    |                                  | 272,193,803      |
| <b>Segment results</b>              | 4,805,411                          | 291,787                          | 5,097,198        |
| <i>Reconciliation:</i>              |                                    |                                  |                  |
| Elimination of intersegment results |                                    |                                  | –                |
| Profit before tax                   |                                    |                                  | 5,097,198        |

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 3. OPERATING SEGMENT INFORMATION (CONTINUED)

| Six months ended 30 June 2023       | Copper related<br>business<br>RMB'000 | Gold related<br>business<br>RMB'000 | Total<br>RMB'000 |
|-------------------------------------|---------------------------------------|-------------------------------------|------------------|
| <b>Segment revenue</b>              |                                       |                                     |                  |
| Sales to external customers         | 235,252,270                           | 31,497,365                          | 266,749,635      |
| Intersegment sales                  | 23,301                                | 598,583                             | 621,884          |
| Total segment revenue               | 235,275,571                           | 32,095,948                          | 267,371,519      |
| <i>Reconciliation:</i>              |                                       |                                     |                  |
| Elimination of intersegment sales   |                                       |                                     | (621,884)        |
| Revenue                             |                                       |                                     | 266,749,635      |
| <b>Segment results</b>              | 4,166,938                             | 308,248                             | 4,475,186        |
| <i>Reconciliation:</i>              |                                       |                                     |                  |
| Elimination of intersegment results |                                       |                                     | –                |
| Profit before tax                   |                                       |                                     | 4,475,186        |



# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 3. OPERATING SEGMENT INFORMATION (CONTINUED)

### Geographical information

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

|                           | Six months ended 30 June              |                                       |
|---------------------------|---------------------------------------|---------------------------------------|
|                           | 2024<br><i>RMB'000</i><br>(Unaudited) | 2023<br><i>RMB'000</i><br>(Unaudited) |
| Chinese Mainland          | <b>234,849,520</b>                    | 232,127,451                           |
| Hong Kong                 | <b>27,514,993</b>                     | 24,282,690                            |
| Others                    | <b>10,726,963</b>                     | 11,116,195                            |
|                           | <b>273,091,476</b>                    | 267,526,336                           |
| Less: Sales related taxes | <b>897,673</b>                        | 776,701                               |
| Total                     | <b>272,193,803</b>                    | 266,749,635                           |

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

### Information about major customers

Revenue of RMB34,023,643,000 from a customer was accounted for 10% or more of the Group's revenue for period ended 30 June 2024 (period ended 30 June 2023: nil). State-Owned Entities are not identified as a group of customers under common control by the directors of the Company.

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 4. REVENUE AND OTHER INCOME

An analysis of revenue is as follows:

|   | Six months ended 30 June       |                                |
|---|--------------------------------|--------------------------------|
|   | 2024<br>RMB'000<br>(Unaudited) | 2023<br>RMB'000<br>(Unaudited) |
| <b>Revenue from contracts with customers</b>            |                                |                                |
| Sale of industrial products                             |                                |                                |
| – Copper cathodes                                       | 143,089,318                    | 148,970,032                    |
| – Copper rods   | 57,033,556                     | 56,285,172                     |
| – Copper processing products                            | 4,442,755                      | 3,128,557                      |
| – Gold  | 35,265,607                     | 25,411,613                     |
| – Silver  | 8,684,445                      | 11,080,713                     |
| – Sulphuric and sulphuric concentrate                   | 1,091,698                      | 724,318                        |
| – Copper concentrate, rare and other non-ferrous metals | 18,200,325                     | 17,360,877                     |
| – Others  | 4,416,876                      | 3,895,267                      |
| Provision of services                                   | 866,896                        | 669,787                        |
| Subtotal  | 273,091,476                    | 267,526,336                    |
| Less: Sales related taxes                               | 897,673                        | 776,701                        |
| Total   | 272,193,803                    | 266,749,635                    |

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 4. REVENUE AND OTHER INCOME (CONTINUED)

Disaggregated revenue information for revenue from contracts with customers:

|  | Six months ended 30 June              |                                       |
|--|---------------------------------------|---------------------------------------|
|  | 2024<br><i>RMB'000</i><br>(Unaudited) | 2023<br><i>RMB'000</i><br>(Unaudited) |
| <b>Types of goods or service</b>                   |                                       |                                       |
| – Sale of industrial products                      | 272,224,580                           | 266,856,549                           |
| – Construction services                            | 321,478                               | 200,409                               |
| – Others   | 545,418                               | 469,378                               |
| Subtotal   | 273,091,476                           | 267,526,336                           |
| Less: Sales related taxes                          | 897,673                               | 776,701                               |
| <b>Total</b>                                       | <b>272,193,803</b>                    | 266,749,635                           |
| <b>Timing of revenue recognition</b>               |                                       |                                       |
| – Goods or services transferred at a point in time | 272,769,998                           | 267,325,927                           |
| – Services transferred over time                   | 321,478                               | 200,409                               |
| Subtotal   | 273,091,476                           | 267,526,336                           |
| Less: Sales related taxes                          | 897,673                               | 776,701                               |
| <b>Total</b>                                       | <b>272,193,803</b>                    | 266,749,635                           |

An analysis of other income is as follows:

|   | Six months ended 30 June              |                                       |
|---|---------------------------------------|---------------------------------------|
|   | 2024<br><i>RMB'000</i><br>(Unaudited) | 2023<br><i>RMB'000</i><br>(Unaudited) |
| Interest income                         | 799,626                               | 858,302                               |
| Dividend income from equity investments | 6,672                                 | 98,131                                |
| Government grants recognised            | 232,986                               | 159,903                               |
| Compensation income and others          | 48,402                                | 34,231                                |
| <b>Total</b>                            | <b>1,087,686</b>                      | 1,150,567                             |

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 5. OTHER GAINS AND LOSSES, NET

|   | Six months ended 30 June       |                                |
|---|--------------------------------|--------------------------------|
|   | 2024<br>RMB'000<br>(Unaudited) | 2023<br>RMB'000<br>(Unaudited) |
| Fair value gains from commodity derivative contracts, T+D forward contracts and commodity option contracts: |                                |                                |
| Transactions not designated for hedges  | 274,626                        | 585,556                        |
| Losses on commodity derivative contracts, T+D forward contracts and commodity option contracts:             |                                |                                |
| Transactions not designated for hedges  | (2,406,228)                    | (242,627)                      |
| Fair value gains/(losses) from foreign currency forward contracts   | 22,413                         | (278,062)                      |
| Losses on foreign currency forward contracts  | (13,869)                       | (13,931)                       |
| Fair value gains/(losses) on other financial assets:  |                                |                                |
| Unlisted equity instruments   | (4,301)                        | 8,641                          |
| Listed equity instruments   | 20,059                         | 13,311                         |
| Financial products and listed debentures  | 67,351                         | 106,091                        |
| Income right attached to a target equity interest   | (33,130)                       | –                              |
| Gains on other financial assets:  |                                |                                |
| Listed equity investments   | 10,855                         | –                              |
| Financial products and listed debentures  | 52,087                         | 46,986                         |
| Impairment losses on:   |                                |                                |
| Property, plant and equipment   | (104,374)                      | –                              |
| Goodwill  | (17,189)                       | –                              |
| Right-of-use assets   | (14,938)                       | –                              |
| Interests in a joint venture  | –                              | (57,403)                       |
| (Losses)/gains on disposal of:  |                                |                                |
| Interests in a subsidiary   | (2,547)                        | 21,591                         |
| Interests in an associate   | –                              | 13,162                         |
| Property, plant and equipment   | (7,815)                        | 22,937                         |
| Foreign exchange (losses)/gains, net  | (202,171)                      | 154,720                        |
| Losses on derecognition of financial assets   | (72,701)                       | –                              |
| Others  | (43,408)                       | (20,201)                       |
| <b>Total</b>  | <b>(2,475,280)</b>             | <b>360,771</b>                 |

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 6. PROFIT BEFORE TAX

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

|   | <b>Six months ended 30 June</b> |             |
|---|---------------------------------|-------------|
|   | <b>2024</b>                     | 2023        |
|   | <b>RMB'000</b>                  | RMB'000     |
|   | <b>(Unaudited)</b>              | (Unaudited) |
| Cost of inventories sold and service provided                     | <b>256,512,627</b>              | 255,617,173 |
| Depreciation of property, plant and equipment                     | <b>1,155,048</b>                | 1,062,709   |
| Depreciation of right-of-use assets                               | <b>146,834</b>                  | 145,915     |
| Depreciation of investment properties                             | <b>17,394</b>                   | 15,930      |
| Amortisation of other intangible assets                           | <b>132,614</b>                  | 138,730     |
| Auditors' remuneration  | <b>6,400</b>                    | 6,400       |
| Employee benefit expense (including directors' remuneration):     |                                 |             |
| – Wages and salaries  | <b>2,900,083</b>                | 2,686,589   |
| – Pension scheme contributions*                                   | <b>359,579</b>                  | 308,928     |
| Research and development costs                                    | <b>303,911</b>                  | 200,431     |
| Provision for impairment of inventories included in cost of sales | <b>598,589</b>                  | 194,046     |
| Provision for/(reversal of) impairment of:                        |                                 |             |
| – Trade and bills receivables                                     | <b>109,589</b>                  | (100,123)   |
| – Factoring receivables   | <b>12,432</b>                   | (2,504)     |
| – Prepayment, other receivables and other assets                  | <b>4,117</b>                    | 1,717       |
| – Loans to related parties  | <b>12,147</b>                   | 6,474       |
| – Goodwill  | <b>17,189</b>                   | –           |
| – Property, plant and equipment                                   | <b>104,374</b>                  | –           |
| – Right-of-use assets   | <b>14,938</b>                   | –           |
| – Interests in a joint venture                                    | <b>–</b>                        | 57,403      |

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

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 7. INCOME TAX

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

|                     | Six months ended 30 June |                |
|---------------------|--------------------------|----------------|
|                     | 2024                     | 2023           |
|                     | <i>RMB'000</i>           | <i>RMB'000</i> |
|                     | (Unaudited)              | (Unaudited)    |
| Current income tax  | <b>950,424</b>           | 736,781        |
| Deferred income tax | <b>19,683</b>            | 10,125         |
| Total               | <b>970,107</b>           | 746,906        |

Hong Kong profits tax on the Group's subsidiaries has been provided at the rate of 16.5% (2023: 16.5%) on the estimated assessable profits arising in Hong Kong during the six months ended 30 June 2024.

The subsidiaries incorporated in Singapore, United States, Peru, Turkey, Zambia, Mexico and Tajikistan are subject to corporate income tax at rates of 17% (2023: 17%), 29.8% (2023: 29.8%), 29.5% (2023: 29.5%), 20% (2023: 20%), 35% (2023: 35%), 30% (2023: 30%), and 18% (2023: 18%), respectively.

The provision for PRC income tax is based on a statutory rate of 25% (2023: 25%) of the assessable profits of the PRC companies as determined in accordance with the relevant income tax rules and regulations of the PRC Corporate Income Tax Law except for those recognised as New and Technology Enterprise which are entitled to a preferential PRC income tax rate of 15%, according to the PRC Corporate Income Tax Law.

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 8. DIVIDENDS

|   | Six months ended 30 June |                |
|---|--------------------------|----------------|
|   | 2024                     | 2023           |
|   | <i>RMB'000</i>           | <i>RMB'000</i> |
|   | (Unaudited)              | (Unaudited)    |
| Dividends of ordinary shares declared during the six months:                                      |                          |                |
| Final dividend of RMB0.60 per share for 2023 (2023: final dividend of RMB0.50 per share for 2022) | <b>2,071,373</b>         | 1,731,365      |

On 6 June 2024, a dividend of RMB0.60 per share (tax inclusive) on 3,452,287,637 shares which have excluded 10,441,768 treasury shares, approximately RMB2,071,373,000 in aggregate was declared to the shareholders as the final dividend for year 2023.

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

The calculation of the basic earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 3,457,656,971 (2023: 3,462,729,405) in issue during the period.

The Group had no potentially dilutive ordinary shares in issue during the six months period ended 30 June 2024 and 2023.

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

|   | Six months ended 30 June |                |
|---|--------------------------|----------------|
|   | 2024                     | 2023           |
|   | <i>RMB'000</i>           | <i>RMB'000</i> |
|   | (Unaudited)              | (Unaudited)    |
| <b>Earnings</b>   |                          |                |
| Profit attributable to ordinary equity holders of the Company, used in the basic and diluted earnings per share calculations        | <b>3,715,621</b>         | 3,472,301      |
| <b>Shares</b>   |                          |                |
| Weighted average number of ordinary shares in issue during the period used in the basic and diluted earnings per share calculations | <b>3,457,656,971</b>     | 3,462,729,405  |

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2024, the Group acquired assets with a cost of RMB2,811,112,000 (six months ended 30 June 2023: RMB3,887,224,000).

During the six months ended 30 June 2024, the Group disposed of assets with a net book value of RMB23,190,000 (30 June 2023: RMB5,384,000), resulting in a net disposal loss of RMB7,815,000 (30 June 2023: net gain on disposal of RMB22,937,000).

During the six months ended 30 June 2024, RMB104,374,000 impairment loss was recognised (30 June 2023: nil) for certain property, plant and equipment.

As at 30 June 2024, certain of the Group's machinery and buildings with net book values of approximately RMB338,422,000 and RMB240,829,000 (31 December 2023: RMB276,348,000 and RMB277,469,000), respectively, were mortgage to secure bank borrowings (note 16).

As at 30 June 2024, certain of the Group's temporarily idle machinery with net book values were approximately RMB272,148,000.

As at 30 June 2024, the Group was in the process of obtaining property ownership certificates for certain of the Group's buildings with a net book value of RMB1,216,783,000 (31 December 2023: RMB488,073,000).

As at 30 June 2024, certain of the Group's buildings with a net book value of approximately RMB103,844,000 (31 December 2023: RMB108,186,000) were restricted due to litigation.



# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 11. FINANCIAL INSTRUMENTS OTHER THAN DERIVATIVES

|   | 30 June 2024       |  | 31 December 2023 |  |
|---|--------------------|--|------------------|--|
|   | Categories         | Carrying<br>Amount<br>RMB'000<br>(Unaudited) | Categories       | Carrying<br>Amount<br>RMB'000<br>(Audited) |
| <b>Assets:</b>  |                    |  |                  |  |
| <b>Debt instruments<br/>(including hybrid<br/>contracts):</b> |                    |  |                  |  |
| Listed debentures (a)   | FVPL <sup>1</sup>  | 14,073                                       | FVPL             | 3,909,900                                  |
| Listed debentures (b)   | FVOCI <sup>2</sup> | 197,254                                      |                  | –  |
| Investments in financial<br>products (c)                      | FVPL               | 10,962,241                                   | FVPL             | 3,503,240                                  |
| Subtotal  |                    | 11,173,568                                   |                  | 7,413,140                                  |
| <b>Equity instruments:</b>                                    |                    |  |                  |  |
| Listed equity<br>investments (d)                              | FVPL               | 259,784                                      | FVPL             | 237,930                                    |
| Listed equity<br>investments (d)                              | FVOCI              | 14,471,762                                   | FVOCI            | 7,465,526                                  |
| Unlisted equity<br>investments (e)                            | FVPL               | 839,653                                      | FVPL             | 888,992                                    |
| Unlisted equity<br>investments (e)                            | FVOCI              | 60,949                                       | FVOCI            | 61,177                                     |
| Income right attached<br>to a target equity<br>interest (f)   | FVPL               | 406,620                                      | FVPL             | 439,750                                    |
| Subtotal  |                    | 16,038,768                                   |                  | 9,093,375                                  |
| Total   |                    | 27,212,336                                   |                  | 16,506,515                                 |

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 11. FINANCIAL INSTRUMENTS OTHER THAN DERIVATIVES (CONTINUED)

|                    | <b>30 June<br/>2024<br/>Carrying<br/>Amount<br/>RMB'000<br/>(Unaudited)</b> | 31 December<br>2023<br>Carrying<br>Amount<br>RMB'000<br>(Audited) |
|--------------------|---|---|
| FVPL               | <b>12,482,371</b>   | 8,979,812   |
| FVOCI              | <b>14,729,965</b>   | 7,526,703   |
| <b>Total</b>       | <b>27,212,336</b>   | 16,506,515  |
| Non-current assets | <b>15,927,080</b>   | 8,933,090   |
| Current assets     | <b>11,285,256</b>   | 7,573,425   |
| <b>Total</b>       | <b>27,212,336</b>   | 16,506,515  |

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

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

- (a) The listed debentures were at interest rates ranging from 5.36% to 5.64% (31 December 2023: 2.26% to 7.50%) per annum as at 30 June 2024.
- (b) The amount represents listed debentures which were publicly issued in Chinese Mainland and were held by the Group in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 11. FINANCIAL INSTRUMENTS OTHER THAN DERIVATIVES (CONTINUED)

- (c) The amount represents investments in financial products arranged by banks, trusts and fund institutions and independent securities companies with high credit-rating and good reputation.

|                           | <b>30 June<br/>2024<br/>RMB'000<br/>(Unaudited)</b> | 31 December<br>2023<br>RMB'000<br>(Audited) |
|---------------------------|---|---|
| Including:                |   |   |
| Bank financial products   | <b>8,789,174</b>                                    | 2,277,956                                   |
| Asset management products | <b>26,171</b>                                       | 27,966                                      |
| Fund products             | <b>1,866,896</b>                                    | 1,197,318                                   |
| Trust products            | <b>280,000</b>                                      | –   |
| <b>Total</b>              | <b>10,962,241</b>                                   | 3,503,240                                   |

As at 30 June 2024, the bank financial products of RMB8,269,175,000 (31 December 2023: RMB2,207,642,000) were pledged for issuance of letter of credits and bank accepted notes.

- (d) The listed equity securities represent stocks listed on Shenzhen Stock Exchange, Hong Kong Stock Exchange ("HKEx") and Toronto Stock Exchange ("TSX").
- (e) The unlisted equity investments represent the Group's equity interests in unlisted PRC companies. None of the shareholdings exceeds 20% of the issued capital of the respective investees and the Group did not have significant influence on these invested entities.
- (f) The investment represents a beneficial right attached to the 3.35% equity interest in a limited liability company established in the PRC held by China Cinda Asset Management Co., Ltd. ("China Cinda") (the "Beneficial Right"), including the right to all the incomes derived from this equity interest.

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 12. DERIVATIVE FINANCIAL INSTRUMENTS

|  | 30 June 2024                            |  | 31 December 2023                      |  |
|--|---|--|---------------------------------------|--|
|  | Assets<br><i>RMB'000</i><br>(Unaudited) | Liabilities<br><i>RMB'000</i><br>(Unaudited) | Assets<br><i>RMB'000</i><br>(Audited) | Liabilities<br><i>RMB'000</i><br>(Audited) |
| Commodity derivative contracts and T+D forward contracts | 601,963                                 | (421,867)                                    | 139,179                               | (278,169)                                  |
| Commodity option contracts                               | –                                       | (2,511)                                      | –                                     | (18,516)                                   |
| Provisional price arrangements                           | 142,390                                 | (457)  | –                                     | (279,086)                                  |
| Foreign currency forward contracts                       | 109,209                                 | (137,131)                                    | 61,405                                | (111,740)                                  |
| <b>Total</b>   | <b>853,562</b>                          | <b>(561,966)</b>                             | 200,584                               | (687,511)                                  |

|  | 30 June<br>2024<br><i>RMB'000</i><br>(Unaudited) | 31 December<br>2023<br><i>RMB'000</i><br>(Audited) |
|--|--|--|
| <b>Including:</b>  |  |  |
| Derivatives designated as hedging instruments (a):         |  |  |
| Fair value hedges  |  |  |
| – Commodity derivative contracts and T+D forward contracts | 26,840   | (27,625)   |
| – Provisional price arrangements                           | 141,933  | (279,086)  |
| Subtotal   | 168,773  | (306,711)  |
| Derivatives not designated as hedging instruments (b):     |  |  |
| – Commodity derivative contracts and T+D forward contracts | 153,256  | (111,365)  |
| – Commodity option contracts                               | (2,511)  | (18,516)   |
| – Foreign currency forward contracts                       | (27,922)   | (50,335)   |
| Subtotal   | 122,823  | (180,216)  |
| <b>Total</b>   | <b>291,596</b>                                   | (486,927)  |

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 12. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

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

(a) Derivatives designated as hedging instruments:

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

– Fair value hedge

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

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

As at 30 June 2024, the net fair value gain of provisional price arrangements for the fair value hedges of the Group was RMB141,933,000 (31 December 2023: fair value loss of RMB279,086,000). The net fair value gain of commodity derivative contracts and T+D forward contracts for the fair value hedges of the Group was RMB26,840,000 (31 December 2023: fair value loss of RMB27,625,000).

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

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## 12. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

### (b) Derivatives not designated as hedging instruments

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

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

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

These commodity derivative and T+D forward contracts, foreign currency forward contracts are held for economic hedge but not designed as effective hedging instruments.

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

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## 13. TRADE AND BILLS RECEIVABLES

|                            | <b>30 June<br/>2024<br/>RMB'000<br/>(Unaudited)</b> | 31 December<br>2023<br>RMB'000<br>(Audited) |
|----------------------------|---|---|
| Trade receivables          | <b>12,061,791</b>                                   | 9,720,041                                   |
| Bills receivable           | <b>1,780,940</b>                                    | 2,220,464                                   |
|                            | <b>13,842,731</b>                                   | 11,940,505                                  |
| Less: Impairment allowance | <b>5,851,210</b>                                    | 5,748,932                                   |
| Total                      | <b>7,991,521</b>                                    | 6,191,573                                   |

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

Trade receivables due from the Group's related parties are repayable on credit terms similar to those offered to the major customers of the Group. Details as in note 21.

As at 30 June 2024, bills receivables of RMB80,000,000 (31 December 2023: nil) was pledged for the issuing bank accepted notes.

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 13. TRADE AND BILLS RECEIVABLES (CONTINUED)

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 impairment allowance, is as follows:

|               | <b>30 June<br/>2024<br/>RMB'000<br/>(Unaudited)</b> | 31 December<br>2023<br>RMB'000<br>(Audited) |
|---------------|---|---|
| Within 1 year | <b>7,328,055</b>                                    | 5,419,382                                   |
| 1 to 2 years  | <b>63,374</b>                                       | 28,897                                      |
| 2 to 3 years  | <b>19,187</b>                                       | 26,061                                      |
| Over 3 years  | <b>580,905</b>                                      | 717,233                                     |
| Total         | <b>7,991,521</b>                                    | 6,191,573                                   |

The term of bills receivables are all less than 12 months. As at 30 June 2024, the bills receivables were neither past due nor impaired (31 December 2023: the bills receivables were neither past due nor impaired).

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

|  | <b>For the six months ended 30 June</b> |                                |
|--|---|--------------------------------|
|  | <b>2024<br/>RMB'000<br/>(Unaudited)</b> | 2023<br>RMB'000<br>(Unaudited) |
| At beginning of the period                         | <b>5,748,932</b>                        | 5,915,131                      |
| Provision for/(reversal of) impairment losses, net | <b>109,589</b>                          | (100,123)                      |
| Amounts written off as uncollectible               | <b>(7,311)</b>                          | (148,040)                      |
| At end of the period                               | <b>5,851,210</b>                        | 5,666,968                      |



# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

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## 14. CASH, CASH EQUIVALENTS, TIME DEPOSITS AND RESTRICTED BANK DEPOSITS

|                                    | <b>30 June<br/>2024<br/>RMB'000<br/>(Unaudited)</b> | 31 December<br>2023<br>RMB'000<br>(Audited) |
|------------------------------------|---|---|
| Cash and bank balances             | <b>58,010,581</b>                                   | 35,620,030                                  |
| Time deposits                      | <b>6,082,386</b>                                    | 9,219,504                                   |
|                                    | <b>64,092,967</b>                                   | 44,839,534                                  |
| Less: Restricted bank deposits (a) | <b>38,078,501</b>                                   | 21,953,728                                  |
| Current portion                    | <b>37,083,244</b>                                   | 17,494,980                                  |
| Non-current portion                | <b>995,257</b>                                      | 4,458,748                                   |
| Time deposits                      | <b>3,612,294</b>                                    | 3,401,029                                   |
| Current portion                    | <b>1,952,721</b>                                    | 1,813,340                                   |
| Non-current portion                | <b>1,659,573</b>                                    | 1,587,689                                   |
| Cash and cash equivalents          | <b>22,402,172</b>                                   | 19,484,777                                  |

- a) As at 30 June 2024, the restricted bank deposits include the following:
- Deposits amounting to RMB4,868,206,000 (31 December 2023: RMB5,612,975,000) were pledged to secure bank borrowings;
  - Deposits amounting to RMB30,325,989,000 (31 December 2023: RMB11,878,775,000) was pledged for letters of credit and for the issuing bank accepted notes;
  - Deposits amounting to RMB572,439,000 (31 December 2023: 1,939,379,000) was pledged for the facilities of the letters of credit, of which none of facilities had been utilized;
  - Deposits amounting to RMB133,687,000 (31 December 2023: RMB452,386,000) was pledged for letters of guarantee;
  - Deposits amounting to RMB487,320,000 (31 December 2023: RMB413,333,000) was placed as environmental recovery deposits whose usage is restricted;
  - Cash in bank amounting to RMB85,705,000 (31 December 2023: RMB82,478,000) was restricted due to litigation;

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 14. CASH, CASH EQUIVALENTS, TIME DEPOSITS AND RESTRICTED BANK DEPOSITS (CONTINUED)

- a) As at 30 June 2024, the restricted bank deposits include the following: (continued)
- Required mandatory reserve deposits and other restricted deposits amounting to RMB1,112,593,000 (31 December 2023: RMB943,858,000) placed by JCC Finance Company Limited, a subsidiary of the Group, in the People's Bank of China ("PBC"), which are not available for use in the Group's daily operations; and
  - Interests which relating to the above restricted bank deposits amounting to RMB492,562,000 (31 December 2023: RMB630,544,000) was accrued on bank deposits.

At the end of the reporting period, the cash and cash equivalents and restricted bank deposits of the Group denominated in RMB amounted to RMB52,753,759,000 (31 December 2023: RMB34,233,885,000). The RMB is not freely convertible into other currencies, however, under Chinese Mainland Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

As at 30 June 2024, the cash and bank balances of RMB4,331,432,000 (31 December 2023: RMB1,641,553,000) were placed in banks outside of Chinese Mainland.

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

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

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## 15. TRADE AND BILLS PAYABLES

|                | <b>30 June 2024</b> | 31 December 2023 |
|----------------|---------------------|------------------|
|                | <i>RMB'000</i>      | <i>RMB'000</i>   |
|                | <b>(Unaudited)</b>  | (Audited)        |
| Trade payables | <b>12,075,617</b>   | 10,449,977       |
| Bills payables | <b>5,584,181</b>    | 4,523,252        |
| Total          | <b>17,659,798</b>   | 14,973,229       |

As at 30 June 2024, the Group had no material balance of accounts payable aged over one year (31 December 2023: no material balance of accounts payable aged over one year).

Trade payables due to related parties included in trade and bills payables are disclosed in note 21.

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

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## 16. INTEREST-BEARING BANK BORROWINGS

|  | <b>30 June<br/>2024<br/>RMB'000<br/>(Unaudited)</b> | 31 December<br>2023<br>RMB'000<br>(Audited) |
|--|---|---|
| Bank borrowings – secured                        | <b>43,196,749</b>                                   | 22,550,656                                  |
| Bank borrowings – unsecured                      | <b>47,345,959</b>                                   | 28,330,963                                  |
| Interest payable                                 | <b>223,906</b>                                      | 160,703                                     |
| <b>Total</b>                                     | <b>90,766,614</b>                                   | 51,042,322                                  |
| Analysed into:                                   |   |   |
| On demand or within one year                     | <b>76,219,222</b>                                   | 37,453,136                                  |
| More than one year, but not exceeding five years | <b>14,547,392</b>                                   | 13,589,186                                  |
| <b>Total</b>                                     | <b>90,766,614</b>                                   | 51,042,322                                  |
| Current  | <b>76,219,222</b>                                   | 37,453,136                                  |
| Non-current                                      | <b>14,547,392</b>                                   | 13,589,186                                  |

As at 30 June 2024, the bank borrowings carried interest at rates ranging from 1.05% to 6.05% (31 December 2023: 1.50% to 6.69%) per annum.

Guaranteed borrowings amounting to RMB3,845,204,000 (31 December 2023: RMB682,955,000) was guaranteed by the non-controlling shareholders of the Group's subsidiaries and was secured by time deposits with a carrying value of RMB1,148,578,000 (31 December 2023: nil).

Pledged borrowings amounting to RMB34,403,140,000 (31 December 2023: RMB11,358,824,000) were secured by discounted bill receivables and letters of credit between inter-companies.

The directors estimate that the carrying amounts of the Group's current and non-current borrowings approximate to their fair values.

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

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## 17. CORPORATE BONDS

|                       | <b>30 June<br/>2024<br/>RMB'000<br/>(Unaudited)</b> | 31 December<br>2023<br>RMB'000<br>(Audited) |
|-----------------------|---|---|
| Corporate bonds (a)   | <b>2,000,000</b>                                    | 2,000,000                                   |
| Medium-term note (b)  | <b>500,000</b>                                      | 1,500,000                                   |
| Convertible bonds (c) | <b>2,174,718</b>                                    | 1,549,838                                   |
| Interest payable      | <b>53,864</b>                                       | 55,565                                      |
| Total                 | <b>4,728,582</b>                                    | 5,105,403                                   |

The amounts are repayable as follows:

|  |                  |           |
|--|------------------|-----------|
| On demand or within one year                     | <b>53,864</b>    | 55,565    |
| More than one year, but not exceeding five years | <b>4,674,718</b> | 5,049,838 |
| Total  | <b>4,728,582</b> | 5,105,403 |
| Current portion                                  | <b>53,864</b>    | 55,565    |
| Non-current portion                              | <b>4,674,718</b> | 5,049,838 |

- (a) Pursuant to the approval of the China Securities Regulatory Commission (No. [2021] 2131), the Company issued 20,000,000 certificates of bonds at par with a nominal value of RMB100 each, in an aggregate amount of RMB2,000,000,000 on 14 September 2022. The bonds have a life of three years from the date of issuance and bear interest at a rate of 2.67% per annum which is payable in arrears on 15 September of each year, and with principal repaid on maturity.

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

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## 17. CORPORATE BONDS (CONTINUED)

- (b) Pursuant to the approval of the National Association of Financial Market Institutional Investors (No. [2021] MTN91 and No. [2023] MTN482), Shandong Humon Smelting Co., Ltd. ("Humon Smelting"), a subsidiary of the Group issued medium-term notes which are listed on the National Association of Financial Market Institution Investors. The approved notes facilities amounted to RMB3,000,000,000 and RMB2,000,000,000 which will expire in two years, respectively. These medium-term notes have a life of three years from the date of issuance and bear interest at rates of 3.37% to 3.75% per annum. At 30 June 2024, medium-term notes of RMB500,000,000 was issued and are repayable within three years.
- (c) Pursuant to the approval of the China Securities Regulatory Commission (No. [2023] 1132), Humon Smelting, issued the convertible bonds at a par value of RMB100 each with an aggregate principal amount of RMB3,160,000,000 issued on 16 June 2023 (the "2023 Issue"). The 2023 Issue have a life of six years from the date of issuance and bear interests at the rate of 0.20% for the first year, 0.40% for the second year, 0.60% for the third year, 1.50% for the fourth year, 1.80% for the fifth year and 2.00% for the sixth year which is payable in arrears on 16 June of each year. The bonds are convertible into ordinary shares on 18 December 2023 to 11 June 2029 on the basis of one ordinary share at a price of RMB11.46 per bond. After this issuance, if Humon Smelting issues bonus shares, increases share capital, issues new shares, rights issues, or distributes cash dividends, the conversion price will be cumulatively adjusted in the order in which the above conditions occur.

The total amount of bonds issued by Humon Smelting to third parties outside the Group is RMB2.47 billion. The Group recognizes the fair value of corporate bonds without equity conversion and other similar conditions as the initial recognition amount of the bond liability portion, and recognizes the difference between the bond issuance price and the fair value of the liability portion as an equity instrument and includes it in the equity of the Company's shareholders.

## 18. SHARE CAPITAL

The Company purchased 10,441,768 of its shares on the Shanghai Stock Exchange at a total consideration of RMB258,748,000, which was paid wholly out of retained profits. As of 30 June, 2024, the purchased shares were not cancelled and were deposited in the company's dedicated securities account for repurchases.

## 19. 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. The relevant law case is still under investigation by the relevant judicial institutions. Therefore, the directors, based on the advice from the Group's legal counsel, are not yet able to make a reliable estimate of the outcome of the Litigation as well as the resulting loss or gain.

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

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## 20. COMMITMENTS

The Group had the following contractual commitments at the end of the reporting period:

|   | <b>30 June<br/>2024<br/>RMB'000<br/>(Unaudited)</b> | 31 December<br>2023<br>RMB'000<br>(Audited) |
|---|---|---|
| Contracted, but not provided for  |   |   |
| Acquisition of property, plant and equipment and<br>exploration and evaluation rights | <b>1,780,061</b>                                    | 2,056,705                                   |
| Investments in associates (i)   | <b>1,590,723</b>                                    | 1,580,880                                   |
| Investment in financial product   | –   | 532,619                                     |
| <b>Total</b>  | <b>3,370,784</b>                                    | 4,170,204                                   |

- i. The Company and China Metallurgical Group Corporation ("CMCC") incorporated MCC-JCL Aynak Minerals Company Limited ("MCC-JCL"), an associate of the Group, in September 2008. Prior to the introduction of other independent investors, the initial shareholdings of the Company and CMCC in MCC-JCL were 25% and 75% respectively. The principal business of MCC-JCL is to explore and exploit minerals in the Central and Western mineralised zones in Aynak Mine in Afghanistan.

The total investment of MCC-JCL shall initially be USD4,390,835,000 and shall be funded by capital injection from shareholders and by project loan financing in the proportions of 30% and 70%, respectively. The capital injection shall be contributed by the Company and CMCC on a pro rata basis. The Company shall not be obliged to provide guarantees, indemnities or capital commitments for the project loan financing. As at 30 June 2024, the Group contributed USD106,110,000(31 December 2023: USD106,110,000).

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 21. RELATED PARTY TRANSACTIONS

In addition to the transactions detailed elsewhere in this financial information, the Group had the following transactions with related parties during the period:

### (a) Related party transactions with JCC and its affiliates:

|  | Six months ended 30 June       |                                |
|--|--------------------------------|--------------------------------|
|  | 2024<br>RMB'000<br>(Unaudited) | 2023<br>RMB'000<br>(Unaudited) |
| Sales to JCC:                                      |                                |                                |
| Sales of auxiliary industrial products             | –                              | 2,091                          |
| Sales to JCC's affiliates:                         |                                |                                |
| Sales of copper cathodes                           | 1,055,960                      | 545,253                        |
| Sales of copper rods                               | 407,604                        | 378,786                        |
| Sales of gold concentrate                          | 321,635                        | –                              |
| Sales of silver concentrate                        | 169,102                        | –                              |
| Sales of silver                                    | 70,117                         | –                              |
| Sales of lead material                             | 35,373                         | 52,859                         |
| Sales of zinc concentrate                          | 16,221                         | 21,819                         |
| Sales of auxiliary industrial products             | 14,401                         | 78,549                         |
| Sales of auxiliary materials                       | 11,559                         | 26,292                         |
| Sales of sulphuric acid                            | 1,999                          | 922                            |
| <b>Total</b>                                       | <b>2,103,971</b>               | <b>1,104,480</b>               |
| Purchases from JCC's affiliates:                   |                                |                                |
| Purchases of silver                                | 1,328,891                      | 537,462                        |
| Purchases of gold                                  | 403,853                        | 143,820                        |
| Purchases of auxiliary industrial products         | 48,349                         | 10,171                         |
| Purchases of blister copper and copper concentrate | 24,440                         | 6,924                          |
| Purchases of sulfuric and sulfuric concentrate     | 5,513                          | 2,225                          |
| Purchase of copper rods                            | 180                            | –                              |
| <b>Total</b>                                       | <b>1,811,226</b>               | <b>700,602</b>                 |



# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 21. RELATED PARTY TRANSACTIONS (CONTINUED)

### (a) Related party transactions with JCC and its affiliates: (Continued)

|  | Six months ended 30 June              |                                       |
|--|---------------------------------------|---------------------------------------|
|  | 2024<br><i>RMB'000</i><br>(Unaudited) | 2023<br><i>RMB'000</i><br>(Unaudited) |
| Service fees charged to JCC:                                 |                                       |                                       |
| Construction services  | 81,019                                | –                                     |
| Supply of electricity  | 993                                   | 814                                   |
| <b>Total</b>   | <b>82,012</b>                         | 814                                   |
| Service fees charged to JCC's affiliates:                    |                                       |                                       |
| Construction services  | 78,781                                | 440                                   |
| Vehicle transportation services                              | 18,772                                | 13,167                                |
| Supply of electricity  | 337                                   | 17,517                                |
| Rentals for public facilities and other services             | 209                                   | 3,079                                 |
| Supply of water  | 31                                    | 83                                    |
| Repair and maintenance services                              | –                                     | 1,879                                 |
| Other management income                                      | 35,762                                | 1,049                                 |
| <b>Total</b>   | <b>133,892</b>                        | 37,214                                |
| Service fees charged by JCC:                                 |                                       |                                       |
| Land lease expense   | 98,111                                | 98,486                                |
| Service fees charged by JCC's affiliates:                    |                                       |                                       |
| Labour service   | 67,963                                | 14,174                                |
| Construction services  | 27,987                                | 31,438                                |
| Repair and maintenance services and purchases of spare parts | 27,278                                | 116,960                               |
| Brokerage agency services for commodity derivative contracts | 4,712                                 | 6,145                                 |
| Transportation services                                      | 127                                   | –                                     |
| <b>Total</b>   | <b>128,067</b>                        | 168,717                               |

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 21. RELATED PARTY TRANSACTIONS (CONTINUED)

### (a) Related party transactions with JCC and its affiliates: (Continued)

|   | Six months ended 30 June       |                                |
|---|--------------------------------|--------------------------------|
|   | 2024<br>RMB'000<br>(Unaudited) | 2023<br>RMB'000<br>(Unaudited) |
| Interest expenses for sales lease back provided from JCC's affiliates | 1,562                          | –                              |
| Loans provided to JCC's affiliates                                    | 2,283,110                      | 1,221,780                      |
| Interest income for loans provided to JCC's affiliates                | 44,041                         | 49,905                         |
| Interest expenses for deposits made from JCC                          | 24,969                         | 35,688                         |
| Interest expenses for deposits made from JCC's affiliates             | 255                            | 4,369                          |

In 2023, the Group entered into rental agreements with JCC for certain land use rights in Jiangxi Province at an annual rental fee of RMB196,223,000 with a lease period from 1 January 2024 to 31 December 2026. The total rental fee amounted to RMB98,111,000 during the six months ended 30 June 2024 (six months ended 30 June 2023: RMB98,486,000).

The daily credit balance offered by JCC Finance to JCC and its affiliates will neither exceed the deposits from JCC and its affiliates nor exceed the ceiling amount of RMB3,500,000,000 as agreed in the financial service agreement entered into by the two parties.

Transactions with related parties are negotiated and agreed by both parties with reference to market prices.

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 21. RELATED PARTY TRANSACTIONS (CONTINUED)

### (b) Related party transactions with the Group's jointly controlled entities and associates:

|  | Six months ended 30 June              |                                       |
|--|---------------------------------------|---------------------------------------|
|  | 2024<br><i>RMB'000</i><br>(Unaudited) | 2023<br><i>RMB'000</i><br>(Unaudited) |
| Sales to a related party:                                |                                       |                                       |
| Sales of silver  | 407,450                               | 556,746                               |
| Sales of gold  | 113,687                               | 45,199                                |
| Sales of auxiliary industrial products                   | 4,399                                 | 4,259                                 |
| <b>Total</b>   | <b>525,536</b>                        | 606,204                               |
| Purchases from a related party:                          |                                       |                                       |
| Purchases of auxiliary industrial products               | 20,361                                | 201,995                               |
| Purchases of silver                                      | 26,144                                | 144,262                               |
| Purchases of copper concentrate                          | –                                     | 22,630                                |
| <b>Total</b>   | <b>46,505</b>                         | 368,887                               |
| Service fees charged to a related party:                 |                                       |                                       |
| Supply of electricity                                    | –                                     | 1,150                                 |
| Loans provided to a related party                        | 11,000                                | 71,730                                |
| Loans collected from a related party                     | 11,000                                | 17,000                                |
| Interest income for loans provided to a related party    | 183                                   | 2,214                                 |
| Deposit made from a related party                        | 9,863                                 | 3,012                                 |
| Interest expenses for deposits made from a related party | 2                                     | 2                                     |

Transactions with related parties are negotiated and agreed by both parties with reference to market prices.

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 21. RELATED PARTY TRANSACTIONS (CONTINUED)

### (c) Other related party transactions with Group's penultimate controlling party's affiliates and its subsidiaries:

|  | Six months ended 30 June       |                                |
|--|--------------------------------|--------------------------------|
|  | 2024<br>RMB'000<br>(Unaudited) | 2023<br>RMB'000<br>(Unaudited) |
| Sales to related parties:                |                                |                                |
| Sales of copper cathodes                 | 1,675,412                      | 198,726                        |
| Sales of other products                  | –                              | 2,455                          |
| <b>Total</b>                             | <b>1,675,412</b>               | <b>201,181</b>                 |
| Purchases from related parties:          |                                |                                |
| Purchases of copper concentrate          | –                              | 29,969                         |
| Service fees charged to a related party: |                                |                                |
| Repair and maintenance services          | –                              | 234                            |
| Other management income                  | –                              | 28                             |
| <b>Total</b>                             | <b>–</b>                       | <b>262</b>                     |
| Service fees charged by a related party: |                                |                                |
| Labour service                           | 22,031                         | 185,974                        |
| Construction services                    | 13,192                         | 10,658                         |
| Other management service                 | 1,609                          | 2,178                          |
| <b>Total</b>                             | <b>36,832</b>                  | <b>198,810</b>                 |

Transactions with related parties are negotiated and agreed by both parties with reference to market prices.

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 21. RELATED PARTY TRANSACTIONS (CONTINUED)

### (d) Outstanding balances with related parties:

At the end of the reporting period, the Group had the following balances with related parties:

|  | <b>30 June<br/>2024<br/>RMB'000<br/>(Unaudited)</b> | 31 December<br>2023<br>RMB'000<br>(Audited) |
|--|---|---|
| Bills receivables:                                     |   |   |
| JCC's affiliates                                       | <b>111,381</b>                                      | 225,707                                     |
| Trade receivables:                                     |   |   |
| JCC's affiliates                                       | <b>643,296</b>                                      | 231,782                                     |
| The Group's penultimate controlling party's affiliates | <b>12,240</b>                                       | –   |
| The Group's jointly controlled entities and associates | <b>1,880</b>  | 910   |
| JCC  | <b>38</b>   | 18,253                                      |
| Total  | <b>657,454</b>                                      | 250,945                                     |
| Prepayments:   |   |   |
| JCC's affiliates                                       | <b>19,357</b>                                       | 16,030                                      |
| The Group's jointly controlled entities and associates | <b>174</b>  | 1,569                                       |
| Total  | <b>19,531</b>                                       | 17,599                                      |
| Other receivables:                                     |   |   |
| JCC's affiliates                                       | <b>2,408,008</b>                                    | 1,648,344                                   |
| The Group's jointly controlled entities and associates | <b>13,003</b>                                       | 13,103                                      |
| Total  | <b>2,421,011</b>                                    | 1,661,447                                   |

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 21. RELATED PARTY TRANSACTIONS (CONTINUED)

### (d) Outstanding balances with related parties: (Continued)

|  | <b>30 June<br/>2024<br/>RMB'000<br/>(Unaudited)</b> | 31 December<br>2023<br>RMB'000<br>(Audited) |
|--|---|---|
| Loans to related parties:                              |   |   |
| JCC's affiliates                                       | <b>3,068,554</b>                                    | 2,321,976                                   |
| The Group's jointly controlled entities and associates | –   | 29,370                                      |
| <b>Total</b>   | <b>3,068,554</b>                                    | 2,351,346                                   |
| Trade and bills payables:                              |   |   |
| JCC's affiliates                                       | <b>521,354</b>                                      | 312,740                                     |
| The Group's jointly controlled entities and associates | <b>48,101</b>                                       | 8,955                                       |
| JCC  | <b>245</b>  | 58  |
| <b>Total</b>   | <b>569,700</b>                                      | 321,753                                     |
| Contract liabilities:                                  |   |   |
| JCC's affiliates                                       | <b>266,749</b>                                      | 1,326                                       |
| Other payables:  |   |   |
| JCC  | <b>318,761</b>                                      | 241,811                                     |
| The Group's penultimate controlling party's affiliates | <b>91,785</b>                                       | 108,939                                     |
| JCC's affiliates                                       | <b>59,659</b>                                       | 254,185                                     |
| The Group's jointly controlled entities and associates | <b>20,000</b>                                       | 20,000                                      |
| <b>Total</b>   | <b>490,205</b>                                      | 624,935                                     |

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 21. RELATED PARTY TRANSACTIONS (CONTINUED)

### (d) Outstanding balances with related parties: (Continued)

|   | <b>30 June<br/>2024<br/>RMB'000<br/>(Unaudited)</b> | 31 December<br>2023<br>RMB'000<br>(Audited) |
|---|---|---|
| Deposits from related parties:                            |   |   |
| JCC   | <b>6,315,196</b>                                    | 2,548,499                                   |
| JCC's affiliates  | <b>3,688,725</b>                                    | 3,671,616                                   |
| The Group's jointly controlled entities<br>and associates | <b>9,863</b>  | 649   |
| Total   | <b>10,013,784</b>                                   | 6,220,764                                   |
| Lease liability(include current portion):                 |   |   |
| JCC and JCC's affiliates                                  | <b>448,608</b>                                      | 534,822                                     |
| Other long term payables :                                |   |   |
| JCC   | <b>3,023</b>  | 3,023                                       |

The above balances arose from the aforementioned transactions, deposits and advances to/from related parties and payments made by the Group and related parties on behalf of each other. These balances were unsecured, interest-free and had no fixed repayment terms except for loans, deposits from related parties, and other non-current liabilities, the terms of which were in accordance with that set out in the respective agreements or mutually agreed between the parties concerned.

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 21. RELATED PARTY TRANSACTIONS (CONTINUED)

### (e) Compensation of key management personnel of the Group:

|                              | Six months ended 30 June |                |
|------------------------------|--------------------------|----------------|
|                              | 2024                     | 2023           |
|                              | <i>RMB'000</i>           | <i>RMB'000</i> |
|                              | (Unaudited)              | (Unaudited)    |
| Short-term employee benefits | <b>8,491</b>             | 8,371          |

The Group itself is part of a larger group of companies under the State-owned Assets Supervision & Administration Commission of the People's Government of Jiangxi Province which is controlled by the PRC government and the Group operates in an economic environment currently pre-dominated by entities controlled, jointly controlled or significantly influenced by the PRC government.

Apart from the transactions with the parent company and its subsidiaries which have been disclosed in other notes to the interim condensed consolidated financial statements, the Group also conducts business with entities directly or indirectly controlled, jointly controlled or significantly influenced by the PRC government in the ordinary course of business, including majority of its bank deposits and the corresponding interest income, certain bank borrowings and the corresponding finance costs, and significant purchases and sales of copper and other related products and utility services.

## 22. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, restricted bank deposits, trade receivable, trade and bill payables, financial assets included in prepayments, other receivables and other assets, loans to related parties, financial liabilities included in other payables and accruals, interest-bearing bank borrowings and deposits from related parties approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the non-current portion of deposits, interest-bearing bank borrowings, corporate bonds and other long-term liabilities have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The fair values have been assessed to be approximate to their carrying amounts. The changes in fair value as a result of the Group's own non-performance risk for interest-bearing bank borrowings and corporate bonds as at 30 June 2024 were assessed to be insignificant.



# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 22. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

The Group's management is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At each reporting date, Management analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by management. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- The fair values of listed debentures and listed equity securities are based on quoted market prices;
- The fair values of investment in financial products have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The fair values have been assessed to be approximate to their carrying amounts;
- The fair value of a bond investment has been estimated based on its expected cash flows discounted by the quoted annual return rate of a similar bond investment. The fair values have been assessed to be approximate to their carrying amounts;
- The fair values of unlisted equity investments and income right attached to a target equity interest have been estimated based on the comparable companies analysis in terms of a series key ratios. Management believes that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated statements of financial position, and the related changes in fair values, which are recorded in profit or loss, are reasonable, and that they were the most appropriate values as at 30 June 2024.

The discount for lack of marketability represents the amounts of premiums and discounts determined by the Group that market participants would take into account when pricing the investments.

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 22. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

The Group enters into derivative financial instruments with various counterparties, principally financial institutions with good credit ratings. Derivative financial instruments include commodity derivative and T+D contracts, provisional price arrangements, forward currency contracts:

- The fair value of the commodity derivative contracts and T+D forward contracts represents the difference between the quoted market price of commodity derivative contracts at period end and the quoted price at inception of the contracts;
- The fair values of the provisional price arrangement are measured using valuation techniques similar to the discounted cash flow model. The models incorporate quoted market prices at the year end of commodity derivative contract with similar maturity as the provisional price arrangement compared to the quoted market prices of commodity derivative contract and on the dates of delivery of the purchased material;
- The fair values of forward currency contracts are measured using valuation techniques similar to the discounted cash flow model. The models incorporate various market observable inputs including foreign exchange spot, forward rates, risk-free interest rate curves and implied volatility of the foreign exchange rate. The carrying amounts of forward currency contracts are the same as their fair values.

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 22. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

### Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's financial assets and financial liabilities as at 30 June 2024:

30 June 2024:

|  | Fair value measurement using   |  |  | Total<br>RMB'000<br>(Unaudited) |
|--|--|--|--|---------------------------------|
|  | Quoted prices<br>in active<br>markets<br>(level 1)<br>RMB'000<br>(Unaudited) | Significant<br>observable<br>inputs<br>(level 2)<br>RMB'000<br>(Unaudited) | Significant<br>unobservable<br>inputs<br>(level 3)<br>RMB'000<br>(Unaudited) |                                 |
| <b>Financial assets:</b>                                   |  |  |  |                                 |
| Listed equity securities                                   | 178,327  | 81,457   | –  | 259,784                         |
| Listed debentures  | 14,073   | –  | –  | 14,073                          |
| Investments in financial products                          | 1,866,895  | 26,171   | 9,069,175  | 10,962,241                      |
| Bond investments   | 197,254  | –  | –  | 197,254                         |
| Listed equity securities in the TSX                        | 14,471,762   | –  | –  | 14,471,762                      |
| Unlisted equity investments in the PRC(FVOCI)              | –  | –  | 60,949   | 60,949                          |
| Unlisted equity investments                                | –  | 130,613  | 709,040  | 839,653                         |
| Income right attached to a target equity interest          | –  | –  | 406,620  | 406,620                         |
| Derivative financial instruments:                          |  |  |  |                                 |
| – Commodity derivative contracts and T+D forward contracts | 601,963  | –  | –  | 601,963                         |
| – Provisional price arrangements                           | –  | 142,390  | –  | 142,390                         |
| – Foreign currency forward contracts                       | –  | 109,209  | –  | 109,209                         |
| Bills receivables  | –  | 1,409,918  | –  | 1,409,918                       |
| Inventories designated as hedged items                     | 9,594,178  | –  | –  | 9,594,178                       |
| <b>Total</b>   | <b>26,924,452</b>  | <b>1,899,758</b>   | <b>10,245,784</b>  | <b>39,069,994</b>               |
| <b>Financial liabilities:</b>                              |  |  |  |                                 |
| Derivative financial instruments:                          |  |  |  |                                 |
| – Commodity derivative contracts and T+D forward contracts | 421,867  | –  | –  | 421,867                         |
| – Commodity option contracts                               | –  | 2,511  | –  | 2,511                           |
| – Foreign currency forward contracts                       | –  | 137,131  | –  | 137,131                         |
| – Provisional price arrangements                           | –  | 457  | –  | 457                             |
| Other payable and accruals                                 |  |  |  |                                 |
| – Financial guarantee contracts                            | –  | –  | 53,085   | 53,085                          |
| <b>Total</b>   | <b>421,867</b>   | <b>140,099</b>   | <b>53,085</b>  | <b>615,051</b>                  |

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 22. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

### Fair value hierarchy (Continued)

31 December 2023:

|  | Fair value measurement using                               |   |   | Total<br>RMB'000  |
|--|--|---|---|-------------------|
|  | Quoted prices<br>in active markets<br>(Level 1)<br>RMB'000 | Significant<br>observable<br>inputs<br>(Level 2)<br>RMB'000 | Significant<br>unobservable<br>inputs<br>(Level 3)<br>RMB'000 |                   |
| <b>Financial assets:</b>                                   |  |   |   |                   |
| Listed equity securities                                   | 160,285  | 77,645  | –   | 237,930           |
| Listed debentures  | 3,909,900  | –   | –   | 3,909,900         |
| Investments in financial products                          | 1,197,317  | 27,966  | 2,277,957   | 3,503,240         |
| Unlisted equity investments                                | –  | 179,953   | 709,039   | 888,992           |
| Listed equity securities in the TSX                        | 7,465,526  | –   | –   | 7,465,526         |
| Unlisted equity investments in the PRC(FVOCI)              | –  | –   | 61,177  | 61,177            |
| Income right attached to a target equity interest          | –  | –   | 439,750   | 439,750           |
| Derivative financial instruments:                          |  |   |   |                   |
| – Commodity derivative contracts and T+D forward contracts | 139,179  | –   | –   | 139,179           |
| – Foreign currency forward contracts                       | –  | 61,405  | –   | 61,405            |
| Bills receivable   | –  | 1,781,688   | –   | 1,781,688         |
| Inventories designated as hedged items                     | 10,339,932   | –   | –   | 10,339,932        |
| <b>Total</b>   | <b>23,212,139</b>  | <b>2,128,657</b>  | <b>3,487,923</b>  | <b>28,828,719</b> |
| <b>Financial liabilities:</b>                              |  |   |   |                   |
| Derivative financial instruments:                          |  |   |   |                   |
| – Commodity derivative contracts and T+D forward contracts | 278,169  | –   | –   | 278,169           |
| – Commodity option contracts                               | –  | 18,516  | –   | 18,516            |
| – Provisional price arrangements                           | –  | 279,086   | –   | 279,086           |
| – Foreign currency forward contracts                       | –  | 111,740   | –   | 111,740           |
| Other payables and accruals                                |  |   |   |                   |
| – Financial guarantee contracts                            | –  | –   | 32,546  | 32,546            |
| <b>Total</b>   | <b>278,169</b>   | <b>409,342</b>  | <b>32,546</b>   | <b>720,057</b>    |

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 22. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

### Fair value hierarchy (Continued)

The movements in fair value measurements within Level 3 during the period are as follows:

|   | Six months ended 30 June |             |
|---|--------------------------|-------------|
|   | 2024                     | 2023        |
|   | RMB'000                  | RMB'000     |
|   | (Unaudited)              | (Unaudited) |
| At 1 January  | 3,487,923                | 2,967,846   |
| Purchase  | 9,010,500                | 9,164,014   |
| Total gains recognised in the statement of profit or loss | 42,107                   | 101,736     |
| Total gains recognised in other comprehensive income      | (228)                    | (415)       |
| Disposals   | (2,294,518)              | (1,231,651) |
| At period end   | 10,245,784               | 11,001,530  |

During the six months ended 30 June 2024, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for financial liabilities (six months ended 30 June 2023: nil).

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 23. EVENTS AFTER THE REPORTING PERIOD

On 24 July 2024, the Group entered into a shareholder rights agreement (“Shareholder Rights Agreement”) with First Quantum Minerals (“FQM”), pursuant to which the Group reached agreements with FQM in respect of director nomination rights, shareholder support and disposition of shares. The Group shall have the right to propose a director nominee of FQM for consideration by the Nominating and Governance Committee of the board of directors of FQM, which shall make recommendations to the board of directors of FQM regarding the appointment or election of the nominee.

In August 2024, a sudden spill had occurred at a side-blown furnace of Humon Smelting causing injuries to on-site workers. As of now, the Shandong Provincial Emergency Management Department has established an investigation team, and the accident is still under investigation. Humon Smelting has not yet received the accident investigation report or relevant handling opinions issued by the accident investigation team for this accident. After the occurrence of the incident, the operation of related business unit has been suspended. The production and operation of the Company and other business units of Humon Smelting are continuing as normal. Based on preliminary estimation, this incident is not expected to have a significant impact on the production, operation and financial performance of the Company.

## 24. APPROVAL OF THE FINANCIAL STATEMENTS

The interim condensed consolidated financial information was approved and authorised for issue by the board of directors on 28 August 2024.



**Jiangxi Copper Company Limited**