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ZHAOJIN

ZHAOJIN MINING INDUSTRY COMPANY LIMITED*

招金礦業股份有限公司

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

(Stock Code: 1818)

FIRST QUARTERLY REPORT OF 2018

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

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

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

The following is the unaudited first quarterly consolidated financial information of the Group for the three months ended 31 March 2018 prepared in accordance with PRC GAAP, which is also published on the websites of ChinaMoney (<http://www.chinamoney.com.cn>) and Shanghai Clearing House (<http://www.shclearing.com>).

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

Unit: RMB Yuan

| Assets | 31 December 2017 | 31 March 2018 |
|---|--------------------------|--------------------------|
| Current Assets: | | |
| Cash and cash equivalents | 2,124,991,583.47 | 1,858,634,713.62 |
| Equity investments at fair value through profit or loss | 279,077,748.90 | 272,983,432.09 |
| Notes receivables | 190,537,490.00 | 14,598,411.49 |
| Trade receivables | 45,769,128.69 | 189,457,013.88 |
| Advance to customers | 392,117,422.60 | 230,274,842.57 |
| Interest receivable | 17,678,675.78 | 10,340,429.98 |
| Dividend receivable | | |
| Other receivables | 208,504,077.17 | 293,016,496.49 |
| Inventories | 3,564,584,121.15 | 4,001,760,448.26 |
| Current portion of non-current assets | | |
| Other current assets | 1,231,084,383.66 | 2,369,613,724.23 |
| Total current assets | 8,054,344,631.42 | 9,240,679,512.61 |
| Non-current Assets: | | |
| Available-for-sale financial assets | 38,350,315.28 | 28,760,670.43 |
| Held-to-maturity investment financial assets | | |
| Long-term receivables | | |
| Long-term investments | 402,850,920.49 | 407,994,587.78 |
| Investments in real estates | | |
| Property, plant and equipment | 11,283,318,066.52 | 11,140,459,763.09 |
| Construction in progress | 2,355,039,273.85 | 2,677,947,813.85 |
| Project goods and material | | |
| Disposal of fixed assets | | 1,160,739.40 |
| Oil and gas assets | | |
| Productive biological asset | | |
| Intangible assets | 8,588,913,883.18 | 8,517,280,753.23 |
| Development expenditure | | |
| Goodwill | 709,844,457.86 | 709,844,457.86 |
| Long-term prepaid expenses | 35,823,715.23 | 36,838,821.02 |
| Deferred tax assets | 170,055,353.93 | 168,615,079.52 |
| Other long-term assets | 2,086,839,926.83 | 1,975,464,108.34 |
| Total non-current assets | 25,671,035,913.17 | 25,664,366,794.52 |
| TOTAL ASSETS | 33,725,380,544.59 | 34,905,046,307.13 |

**Liabilities and Owners' Equity
(or Shareholders' Equity)**

| | 31 December 2017 | 31 March 2018 |
|---|--------------------------|--------------------------|
| Current Liabilities: | | |
| Short-term interest-bearing bank and other borrowings | 8,711,058,997.92 | 9,569,492,208.87 |
| Held for trading financial liabilities | | 200,000,000.00 |
| Notes payables | 18,945,591.43 | 80,520,160.59 |
| Trade payables | 426,636,752.88 | 499,986,987.65 |
| Advance from customers | 221,783,243.63 | 162,820,500.63 |
| Payroll payables | 99,232,152.40 | 67,988,236.81 |
| Tax payables | 182,784,393.11 | 65,341,380.42 |
| Interest payables | 88,798,501.01 | 115,239,201.84 |
| Dividend payables | 108,765,287.09 | 107,786,925.79 |
| Other payables | 1,349,487,506.90 | 996,247,147.55 |
| Current portion of other long-term liabilities | 770,968,432.00 | |
| Other current liabilities | 1,815,727,795.14 | 1,421,239,644.29 |
| Total current liabilities | 13,794,188,653.51 | 13,286,662,394.44 |
| Non-current liabilities: | | |
| Long-term interest-bearing bank and other borrowings | 619,338,322.00 | 507,931,135.71 |
| Corporate bond | 1,794,963,890.83 | 3,545,674,032.59 |
| Long-term payables | 43,288,000.00 | 18,413,725.91 |
| Special payable | 364,522,741.65 | 350,405,360.82 |
| Estimated liabilities | 33,692,053.01 | 67,188,670.55 |
| Deferred tax liabilities | 348,063,219.32 | 348,063,219.32 |
| Other long-term liabilities | 24,917,537.94 | 22,514,812.03 |
| Total non-current liabilities | 3,228,785,764.75 | 4,860,190,956.93 |
| Total liabilities | 17,022,974,418.26 | 18,146,853,351.37 |
| Owners' equity (or shareholders' equity): | | |
| Issued capital | 3,220,696,195.00 | 3,220,696,195.00 |
| Capital reserve | 2,656,133,236.64 | 2,656,133,236.64 |
| Less: treasury stock | | |
| Surplus reserve | 1,011,401,344.14 | 997,612,385.24 |
| Accumulated profit | 3,594,026,854.84 | 3,727,790,913.30 |
| Translation gain and loss | -8,425,426.75 | 5,255,841.84 |
| Perpetual capital instruments | 2,664,599,589.00 | 2,665,428,983.23 |
| Equity attributable to the parent | 13,138,431,792.87 | 13,272,917,555.25 |
| Non-controlling interests | 3,563,974,333.46 | 3,485,275,400.51 |
| Total equity | 16,702,406,126.33 | 16,758,192,955.76 |
| TOTAL LIABILITIES AND OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY) | 33,725,380,544.59 | 34,905,046,307.13 |

STATEMENT OF FINANCIAL POSITION*Zhaojin Mining Industry Company Limited*

Unit: RMB Yuan

| Assets | 31 December 2017 | 31 March 2018 |
|---|-------------------------|----------------------|
| Current Assets: | | |
| Cash and cash equivalents | 590,084,121.86 | 556,113,329.45 |
| Equity investments at fair value through profit or loss | 64,411,800.00 | 68,564,062.07 |
| Notes receivables | 175,982,000.00 | 2,900,000.00 |
| Trade receivables | 122,764,346.07 | 168,654,022.47 |
| Advance to customers | 293,584,764.27 | 104,015,246.89 |
| Interest receivable | 1,175,227,987.01 | 1,215,748,847.87 |
| Dividend receivable | 186,206,497.63 | 176,206,497.63 |
| Other receivables | 1,399,613,241.32 | 1,965,791,137.89 |
| Inventories | 2,119,536,608.70 | 2,372,659,222.44 |
| Current portion of non-current assets | | |
| Other current assets | 5,262,878,406.53 | 5,570,241,897.26 |
| Total current assets | 11,390,289,773.39 | 12,200,894,263.97 |
| Non-current Assets: | | |
| Available-for-sale financial assets | 8,740,188.53 | 8,740,188.53 |
| Held-to-maturity investment financial assets | | |
| Long-term receivables | | |
| Long-term investments | 8,706,546,888.15 | 8,761,414,638.15 |
| Investments in real estates | | |
| Property, plant and equipment | 4,922,983,374.58 | 4,869,677,911.02 |
| Construction in progress | 872,078,247.33 | 998,115,172.18 |
| Project goods and material | | |
| Disposal of fixed assets | | 4,136.44 |
| Productive biological assets | | |
| Oil and gas assets | | |
| Intangible assets | 1,193,047,961.97 | 1,191,142,444.55 |
| Development expenditure | | |
| Goodwill | 84,335,610.38 | 84,335,610.38 |
| Long-term prepaid expenses | 17,941,837.70 | 17,941,837.70 |
| Deferred tax assets | 68,422,532.88 | 68,422,532.88 |
| Other long-term assets | 593,411,628.27 | 596,890,051.92 |
| Total non-current assets | 16,467,508,269.79 | 16,596,684,523.75 |
| TOTAL ASSETS | 27,857,798,043.18 | 28,797,578,787.72 |

**Liabilities and Owners' Equity
(or Shareholders' Equity)**

| | 31 December 2017 | 31 March 2018 |
|---|-------------------------|----------------------|
| Current Liabilities: | | |
| Short-term interest-bearing bank and other borrowings | 8,583,138,822.72 | 8,999,547,711.67 |
| Held for trading financial liabilities | | |
| Notes payables | | 9,000,000.00 |
| Trade payables | 173,543,827.25 | 138,227,185.02 |
| Advance from customers | 16,413,086.40 | 16,409,090.51 |
| Payroll payables | 47,929,448.23 | 21,044,542.67 |
| Tax payables | 51,745,667.62 | -27,974,952.55 |
| Interest payables | 62,993,476.10 | 103,740,647.70 |
| Dividend payables | | |
| Other payables | 811,094,815.00 | 624,155,700.68 |
| Current portion of other long-term liabilities | 18,708,182.00 | |
| Other current liabilities | 999,384,265.37 | |
| Total current liabilities | 10,764,951,590.69 | 9,884,149,925.70 |
| Non-Current Liabilities: | | |
| Long-term interest-bearing bank and other borrowings | 583,198,322.00 | 595,198,322.00 |
| Corporate bond | 1,794,963,890.83 | 3,545,674,032.59 |
| Long-term payables | | 2,419,725.91 |
| Special payable | 227,766,700.32 | 216,007,309.63 |
| Estimated liabilities | 34,751,337.55 | 43,689,685.32 |
| Deferred tax liabilities | 101,669,567.81 | 101,669,567.81 |
| Other long-term liabilities | 24,917,537.94 | 22,514,812.03 |
| Total non-current liabilities | 2,767,267,356.45 | 4,527,173,455.29 |
| Total liabilities | 13,532,218,947.14 | 14,411,323,380.99 |
| Owner's equity (or shareholders' equity): | | |
| Issued capital | 3,220,696,195.00 | 3,220,696,195.00 |
| Capital reserve | 2,867,778,357.03 | 2,867,778,357.03 |
| Less: treasury stock | | |
| Surplus reserve | 989,676,572.21 | 975,922,535.25 |
| Accumulated profit | 4,582,828,382.76 | 4,656,429,336.22 |
| Translation gain and loss | | |
| Perpetual capital instruments | 2,664,599,589.04 | 2,665,428,983.23 |
| Equity attributable to the parent | 14,325,579,096.04 | 14,386,255,406.73 |
| Non-controlling interests | | |
| Total equity | 14,325,579,096.04 | 14,386,255,406.73 |
| TOTAL LIABILITIES AND OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY) | 27,857,798,043.18 | 28,797,578,787.72 |

CONSOLIDATED INCOME STATEMENT

Zhaojin Mining Industry Company Limited (Consolidated)

Unit: RMB Yuan

| Items | Jan-Mar 2018 Amount | Jan-Mar 2017 Amount |
|---|------------------------|------------------------|
| 1) Revenue | 1,292,508,831.50 | 1,520,589,750.84 |
| Less: Cost of sales | 715,068,517.00 | 942,426,442.14 |
| Taxes and surcharges | 37,494,737.70 | 31,394,819.51 |
| Impairment losses | 3,613,958.86 | -1,536,000.00 |
| Selling expenses | 11,292,419.93 | 10,074,317.13 |
| General and administrative expenses | 193,946,420.73 | 251,268,261.75 |
| Finance expenses | 156,868,993.28 | 136,966,220.41 |
| Add: Fair value change gain or loss (loss "-") | 28,168,194.65 | 22,783,187.56 |
| Investment gain (loss "-") | 6,485,325.28 | 29,032,915.39 |
| Including: Investment income from joint ventures and affiliates | | |
| Disposal of assets | -1,214,838.79 | |
| Other revenue | 14,877,380.83 | |
| 2) Operating income | 222,539,845.97 | 201,811,792.85 |
| Non-operating income | 746,588.10 | 14,414,230.24 |
| Non-operating expense | 88,079.94 | 8,208,590.16 |
| Including: disposal of non-current assets | | 1,067,408.83 |
| 3) Total income | 223,198,354.13 | 208,017,432.93 |
| Less: Income tax expenses | 44,521,074.12 | 55,102,490.83 |
| 4) Net gain | 178,677,280.01 | 152,914,942.10 |
| Attributable to Equity holders of the parent | 133,764,058.46 | 119,992,330.58 |
| Attributable to Non-controlling interests | 44,913,221.55 | 32,922,611.52 |
| 5) Earnings per share | | |
| (i) Basic | 0.04 | 0.04 |
| (ii) Diluted | | |

INCOME STATEMENT

Zhaojin Mining Industry Company Limited

Unit: RMB Yuan

| Items | Jan-Mar 2018 Amount | Jan-Mar 2017 Amount |
|--|------------------------|------------------------|
| 1) Revenue | 607,685,857.52 | 721,242,994.30 |
| Less: Cost of sales | 323,513,135.15 | 428,201,827.30 |
| Taxes and surcharges | 21,378,855.53 | 17,053,137.36 |
| Impairment losses | 0.00 | 0.00 |
| Selling expenses | 5,003,321.19 | 2,232,711.50 |
| General and administrative expenses | 76,079,848.45 | 94,237,726.92 |
| Finance expenses | 152,691,141.32 | 135,780,240.62 |
| Add: Fair value change gain or loss (loss "-") | 7,999,704.47 | -1,834,176.00 |
| Investment gain (loss "-") | 38,019,458.62 | 73,313,271.28 |
| Including: Investment income from joint ventures and affiliates | | |
| Disposal of assets | -294,430.30 | |
| Other revenue | 10,359,390.69 | |
| 2) Operating income | 85,103,679.36 | 115,216,445.88 |
| Non-operating income | 275,724.82 | 11,060,634.04 |
| Non-operating expense | -1,209,952.83 | 2,162,284.86 |
| Including: disposal of non-current assets | | 1,042,699.17 |
| 3) Total income | 86,589,357.01 | 124,114,795.06 |
| Less: Income tax expenses | 12,988,403.55 | 26,949,198.77 |
| 4) Net gain | 73,600,953.46 | 97,165,596.29 |
| Attributable to Equity holders of the parent | 73,600,953.46 | 97,165,596.29 |
| Attributable to Non-controlling interests | | |
| 5) Earnings per share | | |
| (i) Basic | 0.02 | 0.03 |
| (ii) Diluted | | |

CONSOLIDATED STATEMENT OF CASH FLOWS

Zhaojin Mining Industry Company Limited (Consolidated)

Unit: RMB Yuan

| Items | Jan-Mar 2018 Amount |
|--|--------------------------------|
| 1) Cash flows from operation activities | |
| Cash received from sale of goods or rendering of services | 1,384,421,202.52 |
| Refunds of taxes | |
| Cash received relating to other operating activities | |
| Sub-total of cash inflows | 1,384,421,202.52 |
| Cash paid for goods and services | 577,457,654.22 |
| Cash paid to and on behalf of employees | 247,627,831.74 |
| Cash paid for all types of taxes | 192,097,304.90 |
| Cash paid relating to other operating activities | 169,417,444.95 |
| Sub-total of cash outflows | 1,186,600,235.82 |
| Net cash flows from operating activities | 197,820,966.71 |
| 2) Cash flows from investing activities | |
| Cash received from sales of investments | 63,331,332.83 |
| Cash received from return on investments | |
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets | |
| Cash received from disposal of investments | |
| Cash received relating to other investing activities | |
| Sub-total of cash inflows | 63,331,332.83 |
| Cash paid for acquisition of fixed assets, intangible assets and other long-term assets | 452,509,945.49 |
| Cash paid for investments | 417,947,100.00 |
| Cash received from acquisition of subsidiaries and other units | |
| Cash paid relating to other investing activities | 568,891,493.51 |
| Sub-total of cash outflows | 1,439,348,539.00 |
| Net cash flows from investing activities | -1,376,017,206.17 |
| 3) Cash flows from financing activities | |
| Cash received from capital contributions | |
| Cash received from borrowings | 3,034,852,590.00 |
| Cash received relating to other financing activities | 2,949,306,672.88 |
| Sub-total of cash inflows | 5,984,159,262.88 |
| Cash payments of loan | 4,879,392,546.76 |
| Cash payments of dividend, profit or interest on borrowings | 192,791,266.51 |
| Cash paid relating to other financing activities | 136,080.00 |
| Sub-total of cash outflows | 5,072,319,893.27 |
| Net cash flows from financing activities | 911,839,369.61 |
| 4) Effect of changes of exchange rate on cash | |
| 5) Net increase in cash and cash equivalents | -266,356,869.85 |

STATEMENT OF CASH FLOWS

Zhaojin Mining Industry Company Limited

Unit: RMB Yuan

| Items | Jan-Mar 2018 Amount |
|--|--------------------------------|
| 1) Cash flows from operation activities | |
| Cash received from sale of goods or rendering of services | 728,259,150.33 |
| Refunds of taxes | |
| Cash received relating to other operating activities | |
| Sub-total of cash inflows | 728,259,150.33 |
| Cash paid for goods and services | 97,446,072.38 |
| Cash paid to and on behalf of employees | 81,060,600.79 |
| Cash paid for all types of taxes | 88,999,863.28 |
| Cash paid relating to other operating activities | 382,974,878.62 |
| Sub-total of cash outflows | 650,481,415.07 |
| Net cash flows from operating activities | 77,777,735.26 |
| 2) Cash flows from investing activities | |
| Cash received from sales of investments | 63,331,332.83 |
| Cash received from return on investments | |
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets | |
| Cash received from disposal of investments | |
| Cash received relating to other investing activities | 8,244,658.33 |
| Sub-total of cash inflows | 71,575,991.16 |
| Cash paid for acquisition of fixed assets, intangible assets and other long-term assets | 152,509,945.49 |
| Cash paid for investments | 17,947,100.00 |
| Cash received from acquisition of subsidiaries and other units | |
| Cash paid relating to other investing activities | 1,117,818,929.19 |
| Sub-total of cash outflows | 1,288,275,974.68 |
| Net cash flows from investing activities | -1,216,699,983.52 |
| 3) Cash flows from financing activities | |
| Cash received from capital contributions | |
| Cash received from borrowings | 3,034,852,590.00 |
| Cash received relating to other financing activities | 2,949,306,672.88 |
| Sub-total of cash inflows | 5,984,159,262.88 |
| Cash payments of loan | 4,713,903,225.76 |
| Cash payments of dividend, profit or interest on borrowings | 160,639,145.51 |
| Cash paid relating to other financing activities | 136,080.00 |
| Sub-total of cash outflows | 4,874,678,451.27 |
| Net cash flows from financing activities | 1,109,480,811.61 |
| 4) Effect of changes of exchange rate on cash | |
| 5) Net increase in cash and cash equivalents | -29,441,436.65 |

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

Announcement is hereby given.

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

Zhaoyuan, the PRC, 27 April 2018

As at the date of this announcement, members of the Board comprises:

Executive Directors: *Mr. Weng Zhanbin, Mr. Dong Xin and Mr. Wang Ligang*

Non-executive Directors: *Mr. Xu Xiaoliang, Mr. Liu Yongsheng, Mr. Yao Ziping and Mr. Gao Min*

Independent non-executive Directors: *Ms. Chen Jinrong, Mr. Choy Sze Chung Jojo, Mr. Wei Junhao and Mr. Shen Shifu*

* *For identification purpose only*