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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 2020

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

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

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

The following is the unaudited first quarterly consolidated financial information of the Company and its subsidiaries (the “**Group**”) for the three months ended 31 March 2020 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 2019	31 March 2020
Current Assets:		
Cash and cash equivalents	3,786,609,378.83	3,665,845,917.42
Equity investments at fair value through profit or loss	554,642,073.78	625,478,390.76
Notes receivables	27,138,315.01	26,707,760.77
Trade receivables	115,308,237.64	216,638,559.50
Advance to customers	202,270,081.90	329,425,704.56
Interest receivable	43,822,378.96	83,691,746.63
Dividend receivable		
Other receivables	198,463,424.25	389,901,334.84
Inventories	4,310,373,402.22	4,191,566,147.80
Non-current assets maturing within one year		
Other current assets	2,758,789,236.40	2,565,621,457.81
Total current assets	11,997,416,528.99	12,094,877,020.09
Non-current Assets:		
Available-for-sale financial assets		
Held to maturity investments	400,993,888.81	454,098,044.91
Long-term receivables		
Long-term equity investments	892,538,041.87	908,195,504.33
Investments in real estates		
Fixed assets	11,742,704,067.04	11,609,027,462.65
Construction in progress	3,254,041,546.54	3,542,432,510.74
Project goods and material		
Disposal of fixed assets		280.40
Productive biological assets		
Oil and gas assets		
Intangible assets	8,735,960,423.86	9,452,384,889.66
Research and development expenditures		5,799,713.28
Goodwill	596,092,556.86	596,092,556.86
Long-term prepaid expenses	13,098,183.16	20,323,290.05
Deferred tax assets	163,051,771.09	163,044,571.63
Right-of-use assets	57,422,656.94	57,362,710.30
Other long-term assets	2,292,500,664.74	1,760,690,742.78
Total non-current assets	28,148,403,800.91	28,569,452,277.59
Total assets	40,145,820,329.90	40,664,329,297.68

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

	31 December 2019	31 March 2020
Current Liabilities:		
Short-term interest-bearing bank and other borrowings	4,737,494,280.00	3,726,928,230.00
Held for trading financial liabilities		
Notes payables	44,056,828.31	226,163,546.06
Trade payables	324,109,305.52	371,803,827.75
Advance from customers	173,882,611.64	197,208,936.25
Payroll payables	103,301,178.30	122,408,000.76
Tax payables	162,378,322.81	102,449,735.62
Interest payables	280,327,270.31	319,392,724.43
Dividend payables	161,649,202.49	161,649,202.49
Other payables	1,007,187,850.58	1,099,278,748.47
Long-term liabilities maturing within one year	716,136,842.24	679,996,842.24
Other current liabilities	4,824,669,017.95	6,133,620,299.27
Total current liabilities	12,535,192,710.16	13,140,900,093.34
Non-current Liabilities:		
Long-term interest-bearing bank and other borrowings	388,490,140.00	424,630,140.00
Bonds payable	9,170,130,220.99	9,212,976,641.09
Long-term payables	21,058,000.00	21,058,000.00
Special accounts payable	250,504,668.36	235,839,302.21
Estimated liabilities	29,447,663.77	26,214,964.58
Deferred tax liabilities	319,641,480.60	322,798,173.86
Right-of-use liabilities	41,085,390.38	41,085,390.38
Other long-term liabilities	91,612,156.29	91,612,156.29
Total non-current liabilities	10,311,969,720.39	10,376,214,768.41
Total liabilities	22,847,162,430.55	23,517,114,861.75
Owners' Equity (or Shareholders' Equity):		
Issued capital	3,270,393,204.00	3,270,393,204.00
Capital reserve	2,969,751,750.00	2,969,751,750.00
Less: treasury stock		
Surplus reserve	1,138,841,737.54	1,134,681,041.55
Accumulated profit	3,814,845,647.04	3,895,789,868.16
Translation differences	26,954,887.66	25,010,922.75
Perpetual capital instruments	2,664,599,589.12	2,136,107,215.68
Total owners' equity attributable to the parent	13,885,386,815.36	13,431,734,002.14
Non-controlling interests	3,413,271,083.99	3,715,480,433.79
Total owners' equity	17,298,657,899.35	17,147,214,435.93
TOTAL LIABILITIES AND OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY)	40,145,820,329.90	40,664,329,297.68

STATEMENT OF FINANCIAL POSITION*Zhaojin Mining Industry Company Limited*

Unit: RMB Yuan

Assets	31 December 2019	31 March 2020
Current Assets:		
Cash and cash equivalents	776,604,525.04	523,666,582.16
Held for trading financial assets	32,980,500.03	39,160,500.03
Notes receivables		
Trade receivables	16,178,470.29	16,135,267.10
Advance to customers	18,687,037.79	92,371,113.41
Interest receivable	1,224,157,775.10	1,276,501,811.59
Dividend receivable	291,313,835.02	286,113,835.02
Other receivables	1,307,640,697.93	1,263,360,719.33
Inventories	2,635,647,147.64	2,421,072,994.06
Non-current assets maturing within one year		
Other current assets	6,007,262,291.29	6,322,721,650.44
Total current assets	12,310,472,280.13	12,241,104,473.14
Non-current Assets:		
Available-for-sale financial assets		
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	9,132,056,788.59	9,132,056,788.59
Investments in real estates		
Fixed assets	5,149,622,687.12	5,089,191,833.06
Construction in progress	1,376,905,956.38	1,446,843,168.07
Project goods and material		
Disposal of fixed assets		
Productive biological assets		
Oil and gas assets		
Intangible assets	1,181,982,030.41	1,182,368,877.52
Development expenditure		
Goodwill	84,335,610.38	84,335,610.38
Long-term prepaid expenses	3,847,223.03	3,037,277.67
Deferred tax assets	44,540,541.82	44,540,541.82
Right-of-use assets	42,771,526.47	42,711,579.83
Other long-term assets	2,236,118,047.05	2,236,118,047.05
Total non-current assets	19,252,180,411.25	19,261,203,723.99
TOTAL ASSETS	31,562,652,691.38	31,502,308,197.13

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

	31 December 2019	31 March 2020
Current Liabilities:		
Short-term interest-bearing bank and other borrowings	3,757,236,000.00	3,582,557,900.00
Held for trading financial liabilities		
Notes payables	211,065,000.00	160,000,000.00
Trade payables	111,919,157.23	126,737,583.38
Advance from customers	626,604.80	2,620,228.66
Payroll payables	35,558,539.24	33,508,221.45
Tax payables	11,704,290.65	6,709,682.33
Interest payables	180,651,963.46	218,797,604.04
Dividend payables		
Other payables	1,067,345,052.68	657,902,298.46
Long-term liabilities maturing within one year	549,996,842.24	549,996,842.24
Other current liabilities	2,800,000,000.00	3,800,000,000.00
Total current liabilities	8,726,103,450.30	9,138,830,360.56
Non-current Liabilities:		
Long-term interest-bearing bank and other borrowings	288,490,140.00	288,490,140.00
Bonds payables	7,092,013,530.98	7,093,334,734.79
Long-term payables	10,619,000.00	10,619,000.00
Special accounts payable	147,456,831.41	137,519,235.41
Estimated liabilities	8,571,331.39	6,241,669.62
Deferred tax liabilities	101,669,567.81	101,669,567.81
Right-of-use liabilities	34,445,737.48	34,445,737.48
Other long-term liabilities		
Total non-current liabilities	7,683,266,139.07	7,672,320,085.11
Total Liabilities	16,409,369,589.37	16,811,150,445.67
Owners' Equity (or Shareholders' Equity):		
Issued capital	3,270,393,204.00	3,270,393,204.00
Capital reserve	3,061,175,140.39	3,061,175,140.39
Less: treasury stock		
Surplus reserve	1,105,199,922.82	1,105,199,922.82
Accumulated profit	5,051,915,245.68	5,118,282,268.57
Translation differences		
Other equity instruments	2,664,599,589.12	2,136,107,215.68
Total owners' equity attributable to the parent	15,153,283,102.01	14,691,157,751.46
Non-controlling interests		
Total owners' equity	15,153,283,102.01	14,691,157,751.46
TOTAL LIABILITIES AND OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY)	31,562,652,691.38	31,502,308,197.13

CONSOLIDATED INCOME STATEMENT
Zhaojin Mining Industry Company Limited (Consolidated)

Unit: RMB Yuan

Items	Jan-Mar 2020 Accumulated Amount	Jan-Mar 2019 Accumulated Amount
(1) Revenue	1,370,436,025.05	1,455,944,944.84
Less: Cost of sales	855,267,940.89	832,800,039.46
Taxes and surcharges	34,845,221.61	44,496,247.40
Impairment losses	1,113,403.70	-3,412,159.42
Selling expenses	7,932,427.20	13,760,053.97
General and administrative expenses	232,342,940.21	229,651,864.81
Finance expenses	174,367,413.78	186,337,088.80
Add: Fair value change gain (loss “-”)	13,599,611.26	13,144,065.37
Investment gain (loss “-”)	6,310,740.75	13,912,399.15
Including: Investment income from joint venture and associates		
Income from asset disposal		-628.28
Other income	14,794,063.16	10,370,398.43
(2) Operating income	99,271,092.83	189,738,044.49
Non-operating income	1,422,571.63	6,706,030.53
Non-operating expense	4,048,827.36	3,004,183.32
Including: Loss from disposal of non-current assets	28,520.68	1,476,988.74
(3) Total income	96,644,837.10	193,439,891.70
Less: Income tax expenses	33,597,833.97	60,144,370.37
(4) Net profit	63,047,003.13	133,295,521.33
Net profit attributable to owners' equity of the parent	80,944,221.12	131,954,861.50
Minority interests	-17,897,217.99	1,340,659.83
(5) Earning per share		
(i) Basic earnings per share	0.02	0.04
(ii) Diluted earnings per share		

INCOME STATEMENT

Zhaojin Mining Industry Company Limited

Unit: RMB Yuan

Items	Jan-Mar 2020 Accumulated Amount	Jan-Mar 2019 Accumulated Amount
(1) Revenue	862,862,294.51	663,540,238.67
Less: Cost of sales	551,898,890.44	332,138,830.64
Taxes and surcharges	25,940,071.17	30,576,091.83
Impairment losses		
Selling expenses	3,133,222.09	5,406,770.75
General and administrative expenses	100,896,093.44	85,496,788.55
Finance expenses	188,590,893.60	188,938,736.84
Add: Fair value change gain (loss “-”)	-2,822,175.30	14,424,592.41
Investment gain (loss “-”)	80,364,239.07	63,494,326.61
Including: Investment income from joint venture and associates		
Proceeds from asset disposal		-628.28
Other income	9,937,596.00	10,286,057.34
(2) Operating income	79,882,783.54	109,187,368.14
Non-operating income	196,066.92	218,897.90
Non-operating expense	2,000,000.00	43,494.42
Including: Loss from disposal of non-current assets		
(3) Total income	78,078,850.46	109,362,771.62
Less: Income tax expenses	11,711,827.57	27,340,692.91
(4) Net profit	66,367,022.89	82,022,078.71
Net profit attributable to owners' equity of the parent	66,367,022.89	82,022,078.71
Minority interests		
(5) Earning per share		
(i) Basic earnings per share	0.02	0.03
(ii) Diluted earnings per share		

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

Unit: RMB Yuan

Items	Jan-Mar 2020 Accumulated Amount
(1) CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from sale of goods or rendering of services	1,292,862,582.04
Refunds of taxes	
Cash received relating to other operating activities	931,663,538.37
Sub-total of cash inflows	2,224,526,120.41
Cash paid for goods and services	752,622,323.57
Cash paid to and on behalf of employees	231,350,844.28
Cash paid for all types of taxes	95,206,668.43
Cash paid relating to other operating activities	830,266,719.12
Sub-total of cash outflows	1,909,446,555.40
Net cash flows from operating activities	315,079,565.01
(2) CASH FLOWS FROM INVESTING ACTIVITIES	
Cash received from sales of investments	156,180,000.00
Cash received from return on investments	6,310,740.75
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	
Cash received from disposal of subsidiaries and other units	
Cash received relating to other investing activities	
Sub-total of cash inflows	162,490,740.75
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	320,686,122.68
Cash paid for investments	
Cash received from acquisition of subsidiaries and other units	
Cash paid relating to other investing activities	10,000,000.00
Sub-total of cash outflows	330,686,122.68
NET CASH FLOWS FROM INVESTING ACTIVITIES	-168,195,381.93
(3) CASH FLOWS FROM FINANCING ACTIVITIES	
Cash received from capital contributions	
Cash received from borrowings	3,997,510,992.80
Cash received relating to other financing activities	
Sub-total of cash inflows	3,997,510,992.80
Cash payments of loan	3,575,661,544.62
Cash payments of dividend, profit or interest on borrowings	189,497,092.67
Cash paid relating to other financing activities	500,000,000.00
Sub-total of cash outflows	4,265,158,637.29
NET CASH FLOWS FROM FINANCING ACTIVITIES	-267,647,644.49
(4) EFFECT OF CHANGES OF EXCHANGE RATE ON CASH	
(5) NET INCREASE IN CASH AND CASH EQUIVALENTS	-120,763,461.41

STATEMENT OF CASH FLOWS*Zhaojin Mining Industry Company Limited*

Unit: RMB Yuan

Items	Jan-Mar 2020 Accumulated Amount
(1) CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from sale of goods or rendering of services	864,899,121.56
Refunds of taxes	
Cash received relating to other operating activities	43,757,899.11
Sub-total of cash inflows	908,657,020.67
Cash paid for goods and services	507,255,386.33
Cash paid to and on behalf of employees	140,061,289.29
Cash paid for all types of taxes	48,979,715.05
Cash paid relating to other operating activities	115,852,739.69
Sub-total of cash outflows	812,149,130.36
Net cash flows from operating activities	96,507,890.31
(2) CASH FLOWS FROM INVESTING ACTIVITIES	
Cash received from sales of investments	6,180,000.00
Cash received from return on investments	33,220,202.58
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	
Cash received from disposal of subsidiaries and other units	
Cash received relating to other investing activities	572,000,000.00
Sub-total of cash inflows	611,400,202.58
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	115,697,654.05
Cash paid for investments	
Cash received from acquisition of subsidiaries and other units	
Cash paid relating to other investing activities	983,759,695.96
Sub-total of cash outflows	1,099,457,350.01
NET CASH FLOWS FROM INVESTING ACTIVITIES	-488,057,147.43
(3) CASH FLOWS FROM FINANCING ACTIVITIES	
Cash received from capital contributions	
Cash received from borrowings	5,565,948,209.68
Cash received relating to other financing activities	
Sub-total of cash inflows	5,565,948,209.68
Cash payments of loan	4,738,774,739.71
Cash payments of dividend, profit or interest on borrowings	188,562,155.73
Cash paid relating to other financing activities	500,000,000.00
Sub-total of cash outflows	5,427,336,895.44
NET CASH FLOWS FROM FINANCING ACTIVITIES	138,611,314.24
(4) EFFECT OF CHANGES OF EXCHANGE RATE ON CASH	
(5) NET INCREASE IN CASH AND CASH EQUIVALENTS	-252,937,942.88

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

Announcement is hereby given.

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

Zhaoyuan, the PRC, 24 April 2020

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

* *For identification purpose only*