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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)**

### **THIRD 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 25 March 2020, Zhaojin Mining Industry Company Limited (the “**Company**”) issued the first tranche of super short-term bonds for 2020 (the “**Super Short-term Bonds**”). Details of the relevant documents relating to the issuance of the 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 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 Super Short-term Bonds.

The following is the unaudited third quarterly consolidated financial information of the Company and its subsidiaries (the “**Group**”) for the nine months ended 30 September 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

<b>Assets</b>	<b>31 December 2019</b>	<b>30 September 2020</b>
Current Assets:		
Cash and cash equivalents	3,786,609,378.83	2,783,266,807.80
Equity investments at fair value through profit or loss	554,642,073.78	2,234,887,536.40
Notes receivables	27,138,315.01	9,987,099.56
Trade receivables	115,308,237.64	270,258,506.34
Advance to customers	202,270,081.90	400,253,090.40
Interest receivable	43,822,378.96	110,676,889.77
Dividend receivable		
Other receivables	198,463,424.25	617,843,556.19
Inventories	4,310,373,402.22	4,606,226,855.87
Non-current assets maturing within one year		
Other current assets	2,758,789,236.40	3,084,845,303.31
Total current assets	11,997,416,528.99	14,118,245,645.64
Non-current Assets:		
Available-for-sale financial assets		150,723,040.22
Held to maturity investments	400,993,888.81	657,429,765.07
Long-term receivables		
Long-term equity investments	892,538,041.87	911,086,981.49
Investments in real estates		
Fixed assets	11,742,704,067.04	11,746,838,423.64
Construction in progress	3,254,041,546.54	3,533,174,466.75
Project goods and material		
Disposal of fixed assets		262,203.36
Productive biological assets		
Oil and gas assets		
Intangible assets	8,735,960,423.86	8,641,112,494.27
Development expenditures		8,190,562.84
Goodwill	596,092,556.86	539,438,521.89
Long-term prepaid expenses	13,098,183.16	16,782,542.98
Deferred tax assets	163,051,771.09	163,044,571.63
Right-of-use assets	57,422,656.94	57,242,817.02
Other long-term assets	2,292,500,664.74	2,302,957,509.45
Total non-current assets	28,148,403,800.91	28,728,283,900.61
TOTAL ASSETS	40,145,820,329.90	42,846,529,546.25

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

**31 December 2019      30 September 2020**

Current Liabilities:

Short-term interest-bearing bank and other borrowings	4,737,494,280.00	5,249,761,550.00
Held for trading financial liabilities		
Notes payables	44,056,828.31	119,230,116.54
Trade payables	324,109,305.52	447,918,995.60
Advance from customers	173,882,611.64	164,060,402.06
Payroll payables	103,301,178.30	139,714,782.63
Tax payables	162,378,322.81	226,726,166.21
Interest payables	280,327,270.31	306,847,187.77
Dividend payables	161,649,202.49	90,334,564.02
Other payables	1,007,187,850.58	1,242,712,598.45
Long-term liabilities maturing within one year	716,136,842.24	161,004,842.24
Other current liabilities	4,824,669,017.95	7,815,280,536.47
Total current liabilities	12,535,192,710.16	15,963,591,741.99

Non-current Liabilities:

Long-term interest-bearing bank and other borrowings	388,490,140.00	136,140,000.00
Bonds payable	9,170,130,220.99	9,135,306,202.56
Long-term payables	21,058,000.00	21,058,000.00
Special accounts payable	250,504,668.36	211,276,338.18
Estimated liabilities	29,447,663.77	21,003,823.67
Deferred tax liabilities	319,641,480.60	310,572,824.60
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	9,968,054,735.68
<b>TOTAL LIABILITIES</b>	<b>22,847,162,430.55</b>	<b>25,931,646,477.67</b>

Owners' Equity (or Shareholders' Equity):

Issued capital (or Share 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	1,133,551,040.47
Accumulated profit	3,814,845,647.04	4,501,012,880.18
Translation differences	26,954,887.66	-7,884,701.35
Other equity instruments	2,664,599,589.12	1,496,145,631.46
Total owners' equity attributable to the parent	13,885,386,815.36	13,362,969,804.76
Non-controlling interests	3,413,271,083.99	3,551,913,263.82
Total owners' equity	17,298,657,899.35	16,914,883,068.58
<b>TOTAL LIABILITIES AND OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY)</b>	<b>40,145,820,329.90</b>	<b>42,846,529,546.25</b>

**STATEMENT OF FINANCIAL POSITION***Zhaojin Mining Industry Company Limited*

Unit: RMB Yuan

<b>Assets</b>	<b>31 December 2019</b>	<b>30 September 2020</b>
Current Assets:		
Cash and cash equivalents	776,604,525.04	697,021,292.54
Held for trading financial assets	32,980,500.03	1,463,372,083.38
Notes receivables		
Trade receivables	16,178,470.29	15,587,621.16
Advance to customers	18,687,037.79	64,847,177.99
Interest receivable	1,224,157,775.10	1,396,945,014.47
Dividend receivable	291,313,835.02	197,608,310.98
Other receivables	1,307,640,697.93	1,224,575,790.73
Inventories	2,635,647,147.64	2,337,172,790.78
Non-current assets maturing within one year		
Other current assets	6,007,262,291.29	6,409,092,197.21
Total current assets	12,310,472,280.13	13,806,222,279.24
Non-current Assets:		
Available-for-sale financial assets		
Held-to-maturing investments		
Long-term receivables		
Long-term equity investment	9,132,056,788.59	9,424,007,351.79
Investment in real estates		
Fixed assets	5,149,622,687.12	5,345,621,412.91
Construction in progress	1,376,905,956.38	1,307,428,844.95
Project goods and material		
Disposal of fixed assets		-318.58
Productive biological assets		
Oil and gas assets		
Intangible assets	1,181,982,030.41	1,185,787,845.13
Development expenditures		
Goodwill	84,335,610.38	84,335,610.38
Long-term prepaid expenses	3,847,223.03	1,417,386.93
Deferred tax assets	44,540,541.82	44,540,541.82
Right-of-use assets	42,771,526.47	42,591,686.55
Other long-term assets	2,236,118,047.05	2,436,118,047.05
Total non-current assets	19,252,180,411.25	19,871,848,408.93
TOTAL ASSETS	31,562,652,691.38	33,678,070,688.17

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

**31 December 2019      30 September 2020**

Current Liabilities:

Short-term borrowings	3,757,236,000.00	5,096,172,000.00
Held for trading financial liabilities		
Notes payables	211,065,000.00	10,000,000.00
Trade payables	111,919,157.23	113,191,940.17
Advance from customers	626,604.80	4,507,166.77
Payroll payables	35,558,539.24	54,160,183.51
Tax payables	11,704,290.65	66,757,315.01
Interest payables	180,651,963.46	176,049,810.89
Dividend payables		
Other payables	1,067,345,052.68	1,527,022,217.68
Long-term liabilities maturing within one year	549,996,842.24	31,004,842.24
Other current liabilities	2,800,000,000.00	4,500,000,000.00
Total current liabilities	8,726,103,450.30	11,578,865,476.27

Non-current Liabilities:

Long-term borrowings	288,490,140.00	
Bonds payables	7,092,013,530.98	7,096,814,157.04
Long-term payables	10,619,000.00	10,619,000.00
Special accounts payable	147,456,831.41	117,644,043.41
Estimated liabilities	8,571,331.39	2,538,609.01
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	7,363,731,114.75
<b>TOTAL LIABILITIES</b>	<b>16,409,369,589.37</b>	<b>18,942,596,591.02</b>

Owners' Equity (or Shareholders' Equity):

Issued capital (or Share 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	5,802,560,198.48
Translation differences		
Other equity instruments	2,664,599,589.12	1,496,145,631.46
Total owners' equity attributable to the parent	15,153,283,102.01	14,735,474,097.15
Non-controlling interests		
Total owners' equity	15,153,283,102.01	14,735,474,097.15
<b>TOTAL LIABILITIES AND OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY)</b>	<b>31,562,652,691.38</b>	<b>33,678,070,688.17</b>

**CONSOLIDATED INCOME STATEMENT**  
*Zhaojin Mining Industry Company Limited (Consolidated)*

Unit: RMB Yuan

<b>Items</b>	<b>Jan-Sep 2020 Accumulated Amount</b>	<b>Jan-Sep 2019 Accumulated Amount</b>
(1) Revenue	5,800,811,367.41	4,634,173,561.65
Less: Cost of sales	2,984,135,989.56	2,829,420,132.12
Taxes and surcharges	206,427,728.35	149,716,725.90
Impairment losses	214,446,943.88	-7,653,609.63
Selling expenses	31,530,445.10	43,957,996.70
Administrative expenses	830,983,747.62	661,252,474.85
Finance expenses	428,442,828.00	553,271,990.81
Add: Fair value change gain (loss “-”)	20,523,722.85	-24,012,933.48
Investment gain (loss “-”)	154,444,311.50	25,844,844.79
Including: Investment income from joint ventures and associates		
Income from asset disposal	554,130.74	-463,062.27
Other income	46,311,216.50	34,463,304.61
(2) Operating income	1,326,677,066.49	440,040,004.55
Non-operating income	9,741,224.28	19,614,236.16
Non-operating expense	8,565,168.19	15,400,538.79
Including: Loss from disposal of non-current assets	1,900,380.75	2,908,325.14
(3) Total income	1,327,853,122.58	444,253,701.92
Less: Income tax expenses	248,975,744.61	82,725,995.52
(4) Net profit	1,078,877,377.97	361,527,706.40
Net profit attributable to owners’ equity of the parent	890,738,851.71	316,865,203.76
Minority interests	188,138,526.26	44,662,502.64
(5) Earning per share		
(i) Basic earnings per share	0.27	0.10
(ii) Diluted earnings per share		

**INCOME STATEMENT***Zhaojin Mining Industry Company Limited*

Unit: RMB Yuan

<b>Items</b>	<b>Jan-Sep 2020 Accumulated Amount</b>	<b>Jan-Sep 2019 Accumulated Amount</b>
(1) Revenue	3,182,649,231.18	2,324,568,484.20
Less: Cost of sales	1,447,967,437.14	1,182,226,624.09
Taxes and surcharges	145,726,261.70	100,334,527.83
Impairment losses	64,676,775.41	-476,331.12
Selling expenses	8,640,346.56	12,912,125.68
Administrative expenses	376,117,254.73	239,901,696.01
Finance expenses	155,347,899.84	552,813,788.40
Add: Fair value change gain (loss “-”)	-457,941.58	-83,536,338.55
Investment gain (loss “-”)	84,140,279.01	197,397,499.59
Including: Investment income from joint ventures and associates		
Income from asset disposal	396,208.59	-513,848.89
Other income	29,857,788.00	30,679,293.88
(2) Operating income	1,098,109,589.82	380,882,659.34
Non-operating income	1,881,127.50	1,057,592.67
Non-operating expense	3,834,747.14	3,021,542.58
Including: Loss from disposal of non-current assets	1,826,523.68	1,104,538.16
(3) Total income	1,096,155,970.18	378,918,709.43
Less: Income tax expenses	140,939,398.81	28,856,817.29
(4) Net profit	955,216,571.37	350,061,892.14
Net profit attributable to owners’ equity of the parent	955,216,571.37	350,061,892.14
Minority interests		
(5) Earning per share		
(i) Basic earnings per share	0.29	0.11
(ii) Diluted earnings per share		

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

Unit: RMB Yuan

<b>Items</b>	<b>Jan-Sep 2020 Accumulated Amount</b>
(1) NET CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from sale of goods or rendering of services	6,179,626,373.76
Refunds of taxes	
Cash received relating to other operating activities	2,823,191,486.53
Sub-total of cash inflows	9,002,817,860.29
Cash paid for purchasing goods and services	3,078,989,473.40
Cash paid to and on behalf of employees	694,511,024.56
Cash paid for all types of taxes	418,656,512.84
Cash paid relating to other operating activities	2,615,313,642.31
Sub-total of cash outflows	6,807,470,653.11
NET CASH FLOWS FROM OPERATING ACTIVITIES	2,195,347,207.18
(2) NET CASH FLOWS FROM INVESTING ACTIVITIES	
Cash received from sales of investments	1,386,893,952.36
Cash received from return on investments	153,230,658.96
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	1,540,124,611.32
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	1,034,733,855.56
Cash paid for investments	4,120,037,767.50
Cash received from acquisition of subsidiaries and other units	
Cash paid relating to other investing activities	60,674,000.00
Sub-total of cash outflows	5,215,445,623.06
NET CASH FLOWS FROM INVESTING ACTIVITIES	-3,675,321,011.74
(3) NET CASH FLOWS FROM FINANCING ACTIVITIES:	
Cash received from accepting investments	1,000,000,000.00
Cash received from borrowings	16,052,996,235.25
Cash received relating to other financing activities	
Sub-total of cash inflows	17,052,996,235.25
Cash payments of loan	15,809,305,414.44
Cash payments of dividend, profit or interest on borrowings	767,059,587.28
Cash paid relating to other financing activities	
Sub-total of cash outflows	16,576,365,001.72
NET CASH FLOWS FROM FINANCING ACTIVITIES	476,631,233.53
(4) EFFECT OF CHANGES OF EXCHANGE RATE ON CASH	
(5) NET INCREASE IN CASH AND CASH EQUIVALENTS	-1,003,342,571.03



**STATEMENT OF CASH FLOWS***Zhaojin Mining Industry Company Limited*

Unit: RMB Yuan

<b>Items</b>	<b>Jan-Sep 2020 Accumulated Amount</b>
(1) NET CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from sale of goods or rendering of services	3,387,120,642.28
Refunds of taxes	
Cash received relating to other operating activities	794,958,202.59
Sub-total of cash inflows	4,182,078,844.87
Cash paid for purchasing goods and services	1,295,445,437.54
Cash paid to and on behalf of employees	332,831,017.50
Cash paid for all types of taxes	269,949,820.11
Cash paid relating to other operating activities	352,556,372.88
Sub-total of cash outflows	2,250,782,648.03
NET CASH FLOWS FROM OPERATING ACTIVITIES	1,931,296,196.84
(2) NET CASH FLOWS FROM INVESTING ACTIVITIES	
Cash received from sales of investments	1,626,203,670.15
Cash received from return on investments	309,422,493.72
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	2,416,102,677.82
Sub-total of cash inflows	4,351,728,841.69
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	437,992,278.29
Cash paid for investments	3,423,201,568.74
Cash received from acquisition of subsidiaries and other units	
cash paid relating to other investing activities	2,882,609,359.15
Sub-total of cash outflows	6,743,803,206.18
NET CASH FLOWS FROM INVESTING ACTIVITIES	-2,392,074,364.49
(3) NET CASH FLOWS FROM FINANCING ACTIVITIES	
Cash received from accepting investments	1,000,000,000.00
Cash received from borrowings	20,969,319,204.91
Cash received relating to other financing activities	
Sub-total of cash inflows	21,969,319,204.91
Cash payments of loan	20,830,873,344.91
Cash payments of dividend, profit or interest on borrowings	757,250,924.85
Cash paid relating to other financing activities	
Sub-total of cash outflows	21,588,124,269.76
NET CASH FLOWS FROM FINANCING ACTIVITIES	381,194,935.15
(4) EFFECT OF CHANGES OF EXCHANGE RATE ON CASH	
(5) NET INCREASE IN CASH AND CASH EQUIVALENTS	-79,583,232.50

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, 23 October 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*