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**ZHAOJIN**

**ZHAOJIN MINING INDUSTRY COMPANY LIMITED\***

**招金礦業股份有限公司**

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

**(Stock Code: 1818)**

## **FIRST QUARTERLY REPORT OF 2014**

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) (the "SFO").

Reference is made to the Company's announcement dated 27 February 2013.

On 27 February 2013, the Company published an announcement in respect of the issue of the short-term bonds. The principal amount of the short-term bonds is RMB700 million with a maturity period of 365 days. Details of the relevant documents relating to the 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 PRC, the Company's unaudited quarterly financial statement 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 short-term bonds.

The following is the unaudited first quarterly consolidated financial information of the Group for the three months ended 31 March 2014 prepared in accordance with PRC GAAP, which is also published on the website 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 2013</b>	<b>31 March 2014</b>
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	1,218,998,443.65	1,026,589,948.02
Equity investments at fair value through profit or loss	39,149,350.63	51,331,683.05
Notes receivable	19,816,140.00	16,534,790.45
Trade receivables	124,490,933.23	168,523,070.51
Prepayments	874,875,817.93	1,036,380,857.90
Interest receivable	6,686,261.26	7,663,533.76
Dividends receivables		
Other receivables	2,098,588,784.64	2,049,939,195.05
Inventories	2,656,188,591.12	2,666,243,690.59
Current portion of other long-term assets		
Other current assets	31,966.66	
Total current assets	7,038,826,289.12	7,023,206,769.33
<b>NON-CURRENT ASSETS:</b>		
Available-for-sale financial assets	25,564,878.40	25,564,878.40
Held-to-maturity investment financial assets		
Long-term receivables		
Long-term investments	420,069,831.67	420,069,831.67
Investment property		
Property, plant and equipment	7,403,951,745.73	6,961,680,760.68
Construction in progress	2,445,782,800.39	3,099,241,892.29
Engineering material	14,603,343.07	
Disposal of fixed assets	6,786,978.02	6,786,978.02
Productive biological asset		
Oil and gas assets		
Other intangible assets	3,287,712,239.16	3,572,558,861.32
Development expenditure		
Goodwill	874,457,753.61	874,457,753.61
Long-term prepaid expense	40,009,034.45	38,509,433.96
Deferred tax assets	68,879,727.20	81,934,045.12
Other long term assets	860,000,000.00	855,000,000.00
Total Non-current assets	15,447,818,331.70	15,935,804,435.07
Total assets	22,486,644,620.82	22,959,011,204.40

**LIABILITIES AND OWNER'S EQUITY  
(OR SHAREHOLDER'S EQUITY)**

**31 December 2013**

**31 March 2014**

**CURRENT LIABILITIES:**

Interest-bearing bank and other borrowings	3,627,744,589.54	2,780,702,406.60
Held for trading financial liabilities	1,555,288,078.98	2,279,544,227.32
Notes payables	30,500,000.00	3,700,000.00
Trade payables	994,501,851.35	871,462,490.03
Advances received	51,280,825.19	58,632,304.32
Employee benefits payables	177,301,405.49	160,344,770.80
Tax payable	195,929,643.58	247,000,341.36
Interests payables	66,403,148.86	78,424,881.20
Dividends payables	51,121,629.39	36,342,860.80
Other payables	298,835,404.26	639,480,151.13
Current portion of other long-term liabilities		
Other current liability	3,193,842,175.46	2,493,842,175.46
Total current liabilities	10,242,748,752.10	9,649,476,609.02

**NON-CURRENT LIABILITIES:**

Long-term Interest-bearing bank and other borrowings	117,270,766.09	1,038,874,227.00
Corporate bond	2,192,281,905.51	2,189,431,807.85
Long-term payable	626,024.00	25,921,924.00
Special payable		
Provisions	9,643,116.41	9,643,116.41
Deferred tax liabilities	367,162,463.87	367,162,463.87
Other long term liability	310,635,403.36	294,170,401.36
Total non-current liabilities	2,997,619,679.24	3,925,203,940.49
Total liabilities	13,240,368,431.34	13,574,680,549.51

**OWNER'S EQUITY (OR SHAREHOLDER'S EQUITY):**

Issued capital (or share capital)	2,965,827,195.00	2,965,827,195.00
Capital surplus	1,656,959,349.10	1,656,959,349.10
Minus: treasury stock		
Surplus reserve	714,820,491.85	714,427,896.99
Accumulated profit	3,061,398,964.94	3,203,932,770.96
Translation gain and loss	-9,308,304.26	-9,308,304.26
Equity attributable to owners of the parent	8,389,697,696.63	8,531,838,907.79
Non-controlling interests	856,578,492.85	852,491,747.10
Total owner's equity	9,246,276,189.48	9,384,330,654.89
Total liabilities and owner's equity (or shareholder's equity)	22,486,644,620.82	22,959,011,204.40

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

Unit: RMB Yuan

<b>ASSETS</b>	<b>31 December 2013</b>	<b>31 March 2014</b>
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	516,695,004.39	591,601,517.95
Equity investments at fair value through profit or loss	25,968,288.32	25,968,288.32
Notes receivable	7,510,600.00	500,000.00
Trade receivables	87,108,516.37	98,330,886.87
Prepayments	328,573,224.83	371,359,395.90
Interest receivable	271,938,675.38	315,902,029.06
Dividends receivables	187,887,100.14	187,887,100.14
Other receivables	1,171,850,559.47	904,662,491.05
Inventories	1,512,478,607.32	1,583,554,104.13
Current portion of other long-term assets		
Other current assets	3,233,300,000.00	3,233,300,000.00
Total current assets	7,343,310,576.22	7,313,065,813.42
<b>NON-CURRENT ASSETS:</b>		
Available-for-sale financial assets		
Held-to-maturity investment financial assets		
Long-term receivables		
Long-term investments	4,507,916,099.62	4,865,216,099.62
Investment property		
Property, plant and equipment	2,574,851,530.83	2,551,067,232.82
Construction in progress	939,069,810.44	1,111,941,591.80
Engineering material		
Disposal of fixed assets		
Productive biological asset		
Oil and gas assets		
Other intangible assets	821,349,333.40	800,913,861.08
Development expenditure		
Goodwill		
Long-term prepaid expense	15,443,842.12	14,512,428.16
Deferred tax assets	63,543,313.36	76,597,631.28
Other long term assets	2,816,750,000.00	3,057,450,000.00
Total non-current assets	11,738,923,929.77	12,477,698,844.76
Total assets	19,082,234,505.99	19,790,764,658.18

**LIABILITIES AND OWNER'S EQUITY  
(OR SHAREHOLDER'S EQUITY)**

**31 December 2013**

**31 March 2014**

**CURRENT LIABILITIES:**

Interest-bearing bank and other borrowings	3,045,510,585.11	2,420,759,922.17
Held for trading financial liabilities	1,555,288,078.98	2,279,544,227.32
Notes payables		
Trade payables	476,515,799.23	343,505,232.39
Advances received	16,837,599.99	28,354,686.56
Employee benefits payables	115,093,848.37	104,254,895.57
Tax payable	96,706,918.92	176,157,694.44
Interests payables	64,888,820.48	92,032,634.57
Dividends payables		
Other payables	117,410,035.79	443,861,253.42
Current portion of other long-term liabilities		
Other current liability	3,193,842,175.46	2,493,842,175.46
Total current liabilities	8,682,093,862.33	8,382,312,721.90

**NON-CURRENT LIABILITIES:**

Long-term Interest-bearing bank and other borrowings	4,957,272.00	854,957,272.00
Corporate bond	2,192,281,905.51	2,189,431,807.85
Long-term payable	17,000.00	17,000.00
Special payable		
Provisions	8,297,393.25	8,297,393.25
Deferred tax liabilities		
Other long term liability	208,749,200.00	209,719,200.00
Total non-current liabilities	2,414,302,770.76	3,262,422,673.10
Total liabilities	11,096,396,633.09	11,644,735,395.00

**OWNER'S EQUITY (OR SHAREHOLDER'S EQUITY):**

Issued capital (or share capital)	2,965,827,195.00	2,965,827,195.00
Capital surplus	1,716,933,867.03	1,716,933,867.03
Minus: treasury stock		
Surplus reserve	700,432,956.87	700,432,956.87
Accumulated profit	2,602,643,854.00	2,762,835,244.28
Translation gain and loss		
Equity attributable to owners of the parent	7,985,837,872.90	8,146,029,263.18
Non-controlling interests		
Total owner's equity	7,985,837,872.90	8,146,029,263.18
Total liabilities and owner's equity (or shareholder's equity)	19,082,234,505.99	19,790,764,658.18

## CONSOLIDATED INCOME STATEMENT

Zhaojin Mining Industry Company Limited (Consolidated)

Unit: RMB Yuan

Items	Jan-Mar 2014 Amount	Jan-Mar 2013 Amount
1) REVENUE	1,090,507,963.74	1,163,915,947.78
Minus: Cost of sales	509,556,744.14	485,388,863.36
Government surcharges	32,565,121.05	11,816,130.86
Impairment loss	–	-22,060.76
Selling and distribution expenses	17,919,912.77	13,537,775.28
Administrative expenses	224,665,599.20	229,600,876.02
Financial costs	101,583,118.54	69,071,521.03
Plus: Fair value gains (loss “-”)	-865,837.70	-445,706.86
Investment income (loss “-”)	4,176,070.16	3,828,438.82
Including Share of profit of an associate and Joint venture		
2) OPERATION INCOME	207,527,700.50	357,905,573.95
Non-operating income	2,389,375.15	1,130,162.29
Non-operating expense	8,137,813.27	2,495,948.46
Including: loss on disposal of non-current assets	4,361,633.13	1,391,094.68
3) PROFIT BEFORE TAX	201,779,262.38	356,539,787.78
Minus: Income tax expenses	61,432,202.11	85,411,204.11
4) NET PROFIT	140,347,060.27	271,128,583.67
Profit attributable to owners of the parent	142,533,806.02	233,893,373.96
Non-controlling interests	-2,186,745.75	37,235,209.71
5) PROFIT PER SHARE		
(i) Earnings Per Share	0.04	0.08
(ii) Diluted Earnings Per Share		

## INCOME STATEMENT

Zhaojin Mining Industry Company Limited

Unit: RMB Yuan

Items	Jan-Mar 2014 Amount	Jan-Mar 2013 Amount
1) REVENUE	629,260,897.44	589,738,819.76
Minus: Cost of sales	178,955,877.71	181,377,244.48
Government surcharges	26,192,508.01	6,586,205.85
Impairment loss	0.00	0.00
Selling and distribution costs	4,636,794.46	3,950,738.92
Administrative expenses	128,928,683.34	122,471,647.73
Financial costs	128,763,052.26	71,721,527.11
Plus: Fair value gains (loss “-”)	0.00	0.00
Investment income (loss “-”)	53,068,774.28	46,628,671.59
Including Share of profit of an associate and Joint venture		
2) OPERATION INCOME	214,852,755.94	250,260,127.26
Non-operating income	297,573.10	945,502.20
Non-operating expense	4,902,412.65	940,098.83
Including: loss on disposal of non-current assets	4,347,845.63	835,298.83
3) PROFIT BEFORE TAX	210,247,916.39	250,265,530.63
Minus: Income tax expenses	50,056,526.11	64,097,971.00
4) NET PROFIT	160,191,390.28	186,167,559.63
Profit attributable to owners of the parent	160,191,390.28	186,167,559.63
Non-controlling interests		
5) PROFIT PER SHARE		
(i) Earnings Per Share		
(ii) Diluted Earnings Per Share		

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

Unit: RMB Yuan

<b>Items</b>	<b>Jan-Mar 2014 Amount</b>
1) Cash flows from operation activity	
Cash received from selling and rendering of services	955,408,791.72
Government subsidy received	
Cash received relating to other operating activities	23,428,710.76
Sub-total of cash inflows	978,837,502.48
Cash paid for goods and services	433,114,314.93
Cash paid to and on behalf of employees	181,109,047.48
Cash paid for all types of taxes	203,986,355.50
Cash paid relating to other operating activities	60,894,144.96
Sub-total of cash outflows	879,103,862.87
Net cash flows from operating activities	99,733,639.61
2) Cash flows from investing activities	
Cash received from investing	
Cash received from interest income	
Net cash received from disposal of fixed assets intangible assets and other long-term assets	
Cash received from disposal of subsidiaries and other units	49,875,000.00
Cash received from other activities related to investments	
Sub-total of cash inflows	49,875,000.00
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	467,103,445.19
Cash paid for investings	10,817,240.00
Cash received from subsidiaries and other units	
Cash paid relating to other investing activities	
Sub-total of cash outflows	477,920,685.19
Net cash flows from investing activities	-428,045,685.19
3) Cash flows from financing activities	
Cash received by investors	
Cash received from borrowings	2,074,278,581.94
Cash received relating to other financing activities	
Sub-total of cash inflows	2,074,278,581.94
Cash repayments of borrowings	1,866,476,597.83
Cash paid for distribution of dividends or profits and for interest expenses	71,898,434.16
Cash paid relating to other financing activities	
Sub-total of cash outflows	1,938,375,031.99
Net cash flows from financing activities	135,903,549.95
4) Effect of Foreign Exchange Rate Changes on Cash	
5) Net increase in cash and cash equivalents	-192,408,495.63



## STATEMENT OF CASH FLOWS

Zhaojin Mining Industry Company Limited

Unit: RMB Yuan

Item	Jan-Mar 2014 Amount
1) Cash flows from operation activity	
Cash received from selling and rendering of services	657,814,887.17
Government subsidy received	
Cash received relating to other operating activities	85,362,655.32
Sub-total of cash inflows	743,177,542.49
Cash paid for goods and services	287,041,456.32
Cash paid to and on behalf of employees	113,338,139.16
Cash paid for all types of taxes	154,958,409.84
Cash paid relating to other operating activities	75,963,366.56
Sub-total of cash outflows	631,301,371.88
Net cash flows from operating activities	111,876,170.61
2) Cash flows from investing activities	
Cash received from investings	
Cash received from interest income	
Net cash received from disposal of fixed assets intangible assets and other long-term assets	
Cash received from disposal of investments	49,875,000.00
Cash received from return on investments	
Sub-total of cash inflows	49,875,000.00
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	260,842,331.83
Cash paid for investings	263,700,000.00
Cash received from subsidiaries and other units	
Cash paid relating to other investing activities	
Sub-total of cash outflows	524,542,331.83
Net cash flows from investing activities	-474,667,331.83
3) Cash flows from financing activities	
Cash received by investors	
Cash received from borrowings	1,880,544,823.62
Cash received relating to other financing activities	
Sub-total of cash inflows	1,880,544,823.62
Cash repayments of borrowings	1,375,170,486.56
Cash paid for distribution of dividends or profits and for interest expenses	67,676,662.28
Cash paid relating to other financing activities	
Sub-total of cash outflows	1,442,847,148.84
Net cash flows from financing activities	437,697,674.78
4) Effect of Foreign Exchange Rate Changes on Cash	
5) Net increase in cash and cash equivalents	74,906,513.56

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, 29 April 2014

*As at the date of this announcement, the Board comprises three executive Directors, being Mr. Weng Zhanbin, Mr. Li Xiuchen and Mr. Lu Dongshang; four non-executive Directors, being Mr. Liang Xinjun, Mr. Cong Jianmao, Mr. Xu Xiaoliang and Mr. Kong Fanhe; and four independent non-executive Directors, being Mr. Ye Tianzhu, Ms. Chen Jinrong, Mr. Choy Sze Chung Jojo and Mr. Xie Jiyuan.*

\* *For identification purpose only*