JINCHUAN 金川

JINCHUAN GROUP INTERNATIONAL RESOURCES CO. LTD

金川集團國際資源有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2362)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2023

RESULTS

The Board is pleased to announce the unaudited condensed consolidated interim results of the Group for the six months ended 30 June 2023 together with the comparative figures for the corresponding period in 2022 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2023

		Six months ended 30 June	
		2023	2022
	Notes	***US$'000***	*US$'000*
		(unaudited)	(unaudited)
Revenue	4	**327,112**	539,423
Cost of sales		**(285,596)**	(381,019)
Royalty payment		**(13,127)**	(34,985)
Gross profit		**28,389**	123,419
Other income, other gains and losses	6	**(14,939)**	1,567
Selling and distribution costs		**(13,930)**	(15,398)
Administrative expenses		**(3,028)**	(4,958)
Finance income		**1,634**	604
Finance costs		**(4,535)**	(4,095)
(Loss) profit before tax	7	**(6,409)**	101,139
Income tax expense	8	**(3,629)**	(34,049)
(Loss) profit for the period		**(10,038)**	67,090

	Notes	Six months ended 30 June **2023** ***US$'000*** **(unaudited)**	2022 *US$'000* (unaudited)
Other comprehensive (expense) income:			
Item that may be reclassified subsequently to profit or loss:			
Fair value (loss) gain on hedging instruments designated in cash flow hedges		**(701)**	1,635
Total comprehensive (expense) income for the period		**(10,739)**	68,725
(Loss) profit for the period attributable to:			
Owners of the Company		**(12,501)**	49,125
Non-controlling interests		**2,463**	17,965
		(10,038)	67,090
Total comprehensive (expense) income attributable to:			
Owners of the Company		**(13,202)**	50,760
Non-controlling interests		**2,463**	17,965
		(10,739)	68,725
(Loss) earnings per share			
Basic *(US cent)*	10	**(0.10)**	0.39
Diluted *(US cent)*	10	**(0.10)**	0.37

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2023

	Notes	**30 June 2023 US$'000 (unaudited)**	31 December 2022 US$'000 (audited)
Non-current assets			
Property, plant and equipment		**867,417**	807,935
Right-of-use assets		**1,266**	1,649
Mineral rights		**552,046**	560,703
Exploration and evaluation assets		**121,762**	121,580
Inventories		**102,481**	102,481
Other non-current assets		**135,139**	123,037
		1,780,111	1,717,385
Current assets			
Inventories		**145,099**	120,637
Trade and other receivables	11	**103,303**	86,665
Financial assets at fair value through profit or loss ("**FVTPL**")		**2,831**	2,749
Derivative financial instruments		**666**	1,367
Tax recoverable		**13,291**	11,046
Bank deposits with original maturity over three months		**10,728**	10,000
Bank balances and cash		**118,250**	79,679
		394,168	312,143
Current liabilities			
Trade and other payables	12	**230,917**	176,947
Amount due to ultimate holding company		**414**	56
Amount due to an intermediate holding company		**5,388**	5,206
Amount due to a fellow subsidiary		**5,622**	5,440
Amount due to a non-controlling shareholder of a subsidiary		**505**	491
Bank borrowings		**60,226**	67,789
Lease liabilities		**687**	720
Short-term provisions		**6,106**	6,689
Bank overdrafts		**14,874**	3,002
		324,739	266,340
Net current assets		**69,429**	45,803
Total assets less current liabilities		**1,849,540**	1,763,188

	Notes	**30 June 2023 US$'000 (unaudited)**	31 December 2022 *US$'000* (audited)
Non-current liabilities			
Deferred tax liabilities		**340,086**	342,874
Bank borrowings		**191,000**	127,000
Amount due to an intermediate holding company		**140,712**	100,941
Lease liabilities		**521**	864
Long-term provisions		**25,076**	25,419
		697,395	597,098
Net assets		**1,152,145**	1,166,090
Capital and reserves			
Share capital	13	**16,027**	16,027
Perpetual subordinated convertible securities	14	**88,462**	88,462
Reserves		**880,506**	896,914
Equity attributable to owners of the Company		**984,995**	1,001,403
Non-controlling interests		**167,150**	164,687
Total equity		**1,152,145**	1,166,090

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2023

1. GENERAL

Jinchuan Group International Resources Co. Ltd. (the "**Company**") is a public limited company incorporated in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). Its ultimate holding company is 金川集團股份有限公司 (Jinchuan Group Co., Ltd*) ("**JCG**"), a state-owned enterprise established in the PRC. The address of registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and the principal place of business of the Company in Hong Kong is Unit 3101, 31/F, United Centre, 95 Queensway, Hong Kong.

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (collectively referred to as the "**Group**") are mining operations and the trading of mineral and metal products.

* *for identification purposes only*

2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with the International Accounting Standard ("**IAS**") 34 "Interim Financial Reporting" issued by the International Accounting Standards Board ("**IASB**") as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which have been measured at fair values, as appropriate.

Other than the application of certain accounting policies which become relevant to the Group, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2023 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2022.

Application of amendments to International Financial Reporting Standards ("IFRSs")

In the current interim period, the Group has applied the Amendments to References to the Conceptual Framework in IFRS Standards and the following amendments to IFRSs issued by the IASB, for the first time, which are mandatory effective for the annual period beginning on or after 1 January 2023 for the preparation of the Group's condensed consolidated financial statements:

IFRS 17 (including the June 2020 and December 2021 Amendments to IFRS 17)	Insurance Contracts
Amendments to IAS 8	Definition of Accounting Estimates
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to IAS 12	International Tax Reform-Pillar Two model Rules

The application of the new and amendments to IFRSs in the current period has had no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

4. REVENUE

Revenue represents revenue arising from sales of commodities. An analysis of the Group's revenue for the period is as follows:

	Six months ended 30 June	
	2023	2022
	US$'000	*US$'000*
	(unaudited)	(unaudited)
Sales of copper	**320,973**	380,523
Sales of cobalt	**17,513**	185,149
Revenue from contracts with customers from sales of mineral and metal products	**338,486**	565,672
Provisional pricing adjustments, net	**(11,374)**	(26,249)
	327,112	539,423

Revenue from the sale of mineral and metal products is recognised at the point in time when control of the products has been transferred to the customer, generally on delivery of the goods.

For some sales, revenue is recognised initially at a selling price that is determined on a provisional basis. The final selling price is subject to the confirmation of the weight and grade of minerals shipped and actual market price of the minerals on the date of final pricing, a process that could take up to 4 months after initial recognition. Adjustments between initial and final recognition is disclosed as provisional pricing adjustments.

5. SEGMENT INFORMATION

IFRS 8 "Operating Segments" requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker ("**CODM**") in order to allocate resources to the segment and assess its performance.

The CODM has been identified as the executive directors of the Company. They review the Group's internal reporting for the purpose of resource allocation and assessment of segment performance.

No operating segments have been aggregated in arriving at the reportable segments of the Group.

The Group's operating and reportable segments are as follows:

- Mining operations
- Trading of mineral and metal products

SEGMENT REVENUE AND RESULTS

The following is an analysis of the Group's revenue and results by operating and reportable segments.

For the six months ended 30 June 2023 (unaudited)

	Mining operations *US$'000*	**Trading of mineral and metal products** *US$'000*	**Total** *US$'000*
Segment revenue			
Revenue			
– Sales of copper	**220,477**	**100,496**	**320,973**
– Sales of cobalt	**3,595**	**13,918**	**17,513**
	224,072	**114,414**	**338,486**
Provisional pricing adjustments, net	**(4,563)**	**(6,811)**	**(11,374)**
	219,509	**107,603**	**327,112**
Segment results	**(3,284)**	**775**	**(2,509)**
Unallocated corporate income			**708**
Unallocated corporate expenses			**(4,608)**
Loss before tax			**(6,409)**

For the six months ended 30 June 2022 (unaudited)

	Mining operations *US$'000*	Trading of mineral and metal products *US$'000*	Total *US$'000*
Segment revenue			
Revenue			
– Sales of copper	247,151	133,372	380,523
– Sales of cobalt	134,540	50,609	185,149
	381,691	183,981	565,672
Provisional pricing adjustments, net	(16,351)	(9,898)	(26,249)
	365,340	174,083	539,423
Segment results	102,658	220	102,878
Unallocated corporate income			310
Unallocated corporate expenses			(2,049)
Profit before tax			101,139

Note: The accounting policies of operating segments are the same as the Group's accounting policies. Segment revenue and segment results comprise revenue from external customers and (loss) profit before tax of each segment (excluding non-operating related finance income, other income, other gains and losses at corporate level and other central administration costs and finance costs), respectively.

6. OTHER INCOME, OTHER GAINS AND LOSSES

	Six months ended 30 June	
	2023	2022
	US$'000	*US$'000*
	(unaudited)	(unaudited)
Exchange losses, net	**(16,269)**	(158)
Royalty income	**1,070**	1,659
Fair value gain (loss) on financial assets at FVTPL	**82**	(136)
Others	**178**	202
	(14,939)	1,567

7. (LOSS) PROFIT BEFORE TAX

	Six months ended 30 June	
	2023	2022
	US$'000	*US$'000*
	(unaudited)	(unaudited)
(Loss) profit before tax has been arrived at after charging:		
Depreciation of property, plant and equipment	**34,664**	30,856
Depreciation of right-of-use assets	**383**	392
Amortisation of mineral rights	**8,657**	12,623
Impairment loss on inventories (included in cost of sales)	**10,000**	125

8. INCOME TAX EXPENSE

	Six months ended 30 June	
	2023	2022
	US$'000	*US$'000*
	(unaudited)	(unaudited)
The tax expense comprises:		
Current taxation		
Corporate income tax in the DRC	**6,190**	38,749
Corporate income tax in Zambia	**285**	344
	6,475	39,093
Deferred taxation	**(2,846)**	(5,044)
	3,629	34,049

No provision for Hong Kong Profits Tax has been made as the Group does not have assessable profits arising in Hong Kong for both periods.

Corporate income tax in Mauritius, South Africa, Zambia and the DRC are calculated at 15%, 28%, 30% and 30% (six months ended 30 June 2022: 15%, 28%, 35% and 30%) on the estimated assessable profits for the period, respectively. Assessable profits in the DRC may also be subject to Super Profits Tax, when and if applicable.

9. DIVIDEND

During the current interim period, a final dividend in respect of the year ended 31 December 2022 of HK0.2 cent (six months ended 30 June 2022: final dividend in respect of the year ended 31 December 2021 of HK0.2 cent) per ordinary share, in an aggregate amount of approximately HK$25,004,000, equivalent to approximately US$3,206,000 (six months ended 30 June 2022: US$3,233,000), has been approved by the shareholders at the annual general meeting of the Company held on 24 May 2023.

No dividend was paid or declared by the Company in respect of the six months period ended 30 June 2023 (six months ended 30 June 2022: Nil).

10. (LOSS) EARNINGS PER SHARE

The calculation of the basic and diluted (loss) earnings per share attributable to owners of the Company is based on the following data:

	Six months ended 30 June	
	2023	2022
	US$'000	*US$'000*
	(unaudited)	(unaudited)
(Loss) earnings		
(Loss) earnings for the purpose of basic (loss) earnings per share	**(12,501)**	49,125
Add: Interest expense on Convertible Securities	**–**	44
(Loss) earnings for the purpose of diluted (loss) earnings per share	**(12,501)**	49,169

	Six months ended 30 June	
	2023	2022
	(unaudited)	(unaudited)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic (loss) earnings per share	**12,502,082,051**	12,609,040,952
Effect of dilutive potential ordinary shares:		
Convertible Securities	**–**	690,000,000
Weighted average number of ordinary shares for the purpose of diluted (loss) earnings per share	**12,502,082,051**	13,299,040,952

The computation of diluted loss per share for the six months ended 30 June 2023 does not assume the conversion of the Convertible Securities since its assumed conversion would result in a decrease in loss per share.

There were no other potential ordinary shares outstanding as at the end of both reporting periods.

11. TRADE AND OTHER RECEIVABLES

	30 June 2023 US$'000 (unaudited)	31 December 2022 US$'000 (audited)
Financial assets at FVTPL		
Trade receivables under provisional pricing arrangements	**73,841**	65,829
Financial assets at amortised cost		
Other receivables	**7,885**	8,648
Loan to a DRC state-owned power company	**547**	547
	8,432	9,195
Non-financial assets		
Other receivables	**2,478**	2,063
Prepayments	**18,552**	9,578
	21,030	11,641
	103,303	86,665

The Group provides customers with a credit period ranging from 5 days to 30 days (31 December 2022: 5 days to 30 days). Before accepting new customers, the Group performs a credit assessment to assess the potential customers' credit limit and credit quality.

The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management.

The following is an ageing analysis of trade receivables presented based on invoice date at the end of the reporting period.

	30 June 2023 US$'000 (unaudited)	31 December 2022 US$'000 (audited)
Within 3 months	**73,728**	65,766
Over 1 year	**113**	63
	73,841	65,829

As at 30 June 2023, trade receivables under provisional pricing arrangement amounting to US$3,692,000 (31 December 2022: US$6,548,000) which was past due and was included in financial assets at FVTPL.

12. TRADE AND OTHER PAYABLES

	30 June 2023	31 December 2022
	US$'000	*US$'000*
	(unaudited)	(audited)
Financial liabilities at FVTPL		
Trade payables under provisional pricing arrangements	**112,190**	102,810
Financial liabilities at amortised cost		
Mining expenses payables	**21,746**	17,111
Construction cost payables	**56,790**	13,572
Other payables	**1,391**	1,637
	79,927	32,320
Non-financial liabilities		
Accrued royalty payment and other tax payable	**12,075**	15,846
Provision for import duties and export clearing charges	**8,813**	7,867
Others *(Note)*	**17,912**	18,104
	38,800	41,817
	230,917	176,947

Note: Included accrual for freight charges, provision for unpaid related surcharge in the DRC and other general operation related payables.

The following is an ageing analysis of trade payables based on the invoice date at the end of the reporting period.

	30 June 2023	31 December 2022
	US$'000	*US$'000*
	(unaudited)	(audited)
Within 3 months	**111,386**	102,478
4 to 6 months	**804**	332
	112,190	102,810

The credit period on purchases of goods ranges from 0 to 90 days.

13. SHARE CAPITAL

	Number of shares	Amount
		HK$'000
Ordinary shares of HK$0.01 each		
Authorised:		
At 1 January 2022, 31 December 2022, 1 January 2023 and 30 June 2023	20,000,000,000	200,000
Issued and fully paid:		
At 1 January 2022 (audited)	12,609,873,051	126,099
Repurchase and cancellation of shares *(Note)*	(107,791,000)	(1,078)
At 31 December 2022 (audited) and 30 June 2023 (unaudited)	12,502,082,051	125,021

Note: During the year ended 31 December 2022, the Group repurchased an aggregate of 107,791,000 of its own shares on the Stock Exchange at total consideration of approximately HK$82,768,000 (equivalent to approximately US$10,611,000), excluding expenses. All of the repurchased shares were cancelled during the year 2022.

14. PERPETUAL SUBORDINATED CONVERTIBLE SECURITIES

On 14 November 2013, the Company issued the Convertible Securities with an aggregate principal amount of US$1,085,400,000, being part of consideration for the Combination. The fair value of the Convertible Securities, which was determined based on a valuation carried out by Asset Appraisal Limited, an independent valuer not connected with the Group, on the date of completion of the Combination amounted to US$1,089,084,000.

The Convertible Securities are convertible into a maximum of 8,466,120,000 ordinary shares of the Company at an initial conversion price of HK$1 per share, subject to anti-dilutive adjustments. On or at any time after three years after the date of issue of the Convertible Securities, the Company may, at its sole discretion, elect to convert the Convertible Securities in whole or in part into ordinary shares of the Company. At any time when a holder of the Convertible Securities is not a connected person of the Company, a principal amount of the Convertible Securities which upon conversion will result in the holder holding in aggregate under 10% of the issued share capital of the Company shall be automatically converted into ordinary shares of the Company upon the exercise of the conversion option.

The Convertible Securities shall not bear any distribution for the first three years from the issue date but shall bear distribution at 0.1% of the principal amount per annum thereafter payable annually in arrears on 31 December each year and can be deferred indefinitely at the discretion of the Company. The Convertible Securities have no fixed maturity and are redeemable at the Company's option at their principal amounts together with any accrued, unpaid or deferred distributions. While any distributions are unpaid or deferred, the Company may not, inter alia, declare or pay any dividends or distribution on any ordinary shares of the Company or redeem or buy-back any ordinary shares of the Company, for so long as any distributions which are due and payable have not yet been paid in full.

During 2018, various investors including Jinchuan (BVI) Limited ("**Jinchuan BVI**"), an indirect wholly-owned subsidiary of JCG, which in turn is the controlling shareholder of the Company, exercised the conversion of the Convertible Securities in an aggregate principal amount of US$996,938,000 into ordinary shares at the conversion price of HK$1 per share ("**Conversion**").

As a result of the Conversion and pursuant to the terms of the Convertible Securities, on 6 June 2018, the Company allotted and issued a total of 7,776,120,000 ordinary shares to the investors including Jinchuan BVI, representing approximately 61.66% of the number of issued shares as enlarged by the aforesaid allotment and issue of ordinary shares. These ordinary shares ranked pari passu with all the existing shares at the date of allotment and among themselves in all respects. The aggregate outstanding principal amount of the Convertible Securities has been reduced to US$88,462,000 immediately after the Conversion. The issued share capital of the Company has been increased to 12,609,873,051 shares upon abovementioned allotment and issue of the ordinary shares.

Movement of Convertible Securities:

	Convertible Securities	
	Number	*US$'000*
As at 31 December 2022 (audited) and 30 June 2023 (unaudited)	690,000,000	88,462

15. CAPITAL COMMITMENTS

	30 June 2023	31 December 2022
	US$'000	*US$'000*
	(unaudited)	(audited)
Capital expenditure in respect of property, plant and equipment, mining rights and exploration and evaluation assets contracted for but not provided in the condensed consolidated financial statements	83,539	77,955

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

JCI and its subsidiaries are principally engaged in (i) the mining of metals, primarily copper and cobalt, in the DRC and Zambia; and (ii) the trading of mineral and metal products in Hong Kong.

The financial performance of the Group in the six months ended 30 June 2023 ("**2023**" **1H**) receded as compared to the six months ended 30 June 2022 ("**2022**" **1H**). The results were primarily impacted by continuous drop in commodity prices for copper and cobalt, delay in the sales of cobalt products, impairment loss of cobalt inventories, foreign exchange losses due to the depreciation of CDF and higher production costs.

The average benchmark LME copper price for 2023 1H was US$8,704 per tonne, representing a 11% decrease as compared to that for 2022 1H of US$9,756 per tonne. LME copper price began the year at US$8,390 per tonne, rose to the highest of US$9,436 per tonnes in January 2023, then fell to the lowest at 7,910 per tonne in May 2023 and closed at US$8,210 as at 30 June 2023.

The average MB cobalt price for 2023 1H was US$15.45 per pound (US$34,061 per tonne*), representing a 58% decrease as compared to that for 2022 1H of US$36.68 per pound (US$80,865 per tonne*). The MB cobalt price fell continuously from its highest of US$39.75 per pound (US$87,634 per tonne*) in April 2022 to its lowest of US$12.90 per pound (US$28,440 per tonne*) in June 2023 and closed at US$14.25 per pound (US$31,416 per tonne*) as at 30 June 2023.

Mining Operations

The Group has majority control over two operating mines in Africa which are Ruashi Mine, a copper and cobalt mine located in Lubumbashi, the DRC, and Kinsenda Mine, a copper mine located in Haut Katanga Province, the DRC. The Group also has interest over a copper mine located in Zambia which has been leased out under finance lease agreement (Chibuluma South Mine (including Chifupu Deposit)).

In 2023 1H, the Group produced approximately 30,200 tonnes of copper (2022 1H: approximately 28,789 tonnes) and approximately 1,364 tonnes of cobalt (2022 1H: approximately 2,603 tonnes) and sold approximately 29,324 tonnes of copper (2022 1H: approximately 27,148 tonnes) and approximately 172 tonnes of cobalt (2022 1H: approximately 2,210 tonnes) which generated revenue of US$221.0 million and -US$1.5 million respectively (2022 1H: US$234.5 million and US$130.8 million respectively).

* 1 tonne equivalent to 2,204.62 pounds

Copper production was 5% higher in 2023 1H at approximately 30,200 tonnes as compared to 2022 1H at approximately 28,789 tonnes. Ruashi Mine's copper production in 2023 1H at approximately 14,357 tonnes was 8% lower as compared to 2022 1H at approximately 15,554 tonnes mainly due to unstable power supply from the national grid and lower ore feed grade. Kinsenda Mine reported 20% higher copper production at approximately 15,843 tonnes in 2023 1H as compared to approximately 13,235 tonnes in 2022 1H. This was mainly due to the higher feed grade ore at 4.67% in 2023 1H, which was 18% higher as compared to 2022 1H at 3.95%, leading to an improved copper recovery rate.

Cobalt production was decreased by 48% from approximately 2,603 tonnes in 2022 1H to approximately 1,364 tonnes in 2023 1H due to the decrease in volume of foreign ore purchased resulting in the lower of both ore feed grade and cobalt recovery rate.

The Group also has control over Musonoi Project, a copper and cobalt project at development stage, and Lubembe Project, a copper project in exploration stage. Both projects are located in the DRC.

Trading of Mineral and Metal Products

In 2023 1H, the trading division of the Group recorded a turnover of US$107.6 million (2022 1H: US$174.1 million) via the trading of commodities, including copper cathode and cobalt hydroxide.

FINANCIAL REVIEW

The Group' s operating results for 2023 1H are a consolidation of the results from the operating mines in the DRC and Zambia and the trading of mineral and metal products in Hong Kong.

Revenue

The revenue for the Group's operations for 2023 1H was US$327.1 million, representing a decrease of 39% compared to US$539.4 million for 2022 1H. Reasons for the decrease in revenue for 2023 1H are discussed below.

The Group's sales performance from its mining operations and trading of mineral and metal products was as follows:

	2023	2022
	US$'000	*US$'000*
For the six months ended 30 June		
Mining operations:		
Volume of copper sold *(tonnes)*	**29,324**	27,148
Volume of cobalt sold *(tonnes)*	**172**	2,210
Average price realised per tonne of copper *(US$)*	**7,538**	8,638
Average price realised per tonne of cobalt *(US$)*	**N/A**	59,199
Revenue from sales of copper *(US$'000)*	**221,041**	234,510
Revenue from sales of cobalt *(US$'000)*	**(1,532)**	130,830
Total revenue from mining operations – including provisional pricing adjustments *(US$'000)*	**219,509**	365,340
Trading of mineral and metal products:		
Revenue – trading of externally sourced mineral and metal products – including provisional pricing adjustments *(US$'000)*	**107,603**	174,083
Total Revenue *(US$'000)*	**327,112**	539,423

Note: Pricing coefficients were considered in actual sales revenue.

The Group sold approximately 29,324 tonnes of copper content contained in copper cathode and copper concentrate for 2023 1H (2022 1H: approximately 27,148 tonnes), of which the copper sales volume of Ruashi Mine for 2023 1H was approximately 11,060 tonnes, a decrease of 26% from approximately 14,857 tonnes for 2022 1H which were due to the delay in the both assay outcome from the third party surveyors and the custom clearance. Copper sales volume of Kinsenda Mine for 2023 1H was approximately 18,264 tonnes, an increase of 49% from approximately 12,291 tonnes for 2022 1H due to the effective destocking of its inventory level in 2023 1H. The Group sold approximately 172 tonnes of cobalt content contained in cobalt hydroxide for 2023 1H, representing a decrease of 92% compared with approximately 2,210 tonnes for 2022 1H.

Copper revenue from mining operations for 2023 1H was US$221.0 million, represented a decrease of 6% as compared to 2022 1H of US$234.5 million. The average benchmark LME copper price for 2023 1H was US$8,704 per tonne, representing a 11% decrease as compared to that for 2022 1H of US$9,756 per tonne, resulting in a 13% decrease of the average copper price realised from US$8,638 per tonne for 2022 1H to US$7,538 per tonne for 2023 1H.

Cobalt revenue from mining operations for 2023 1H was -US$1.5 million (including US$3.6 million from sale of cobalt in the 2023 1H and a downward revision of provisional price previously recognised of US$5.1 million due to the drop in MB cobalt price in 2023 1H) (2022 1H: US$130.8 million).

The average MB cobalt price for 2023 1H was US$15.45 per pound (US$34,601 per tonne*), representing a 58% decrease as compared to that for 2022 1H of US$36.68 per pound (US$80,865 per tonne*). The benchmark MB cobalt hydroxide coefficient has decreased from 88% at the end of March 2022 to the lowest of 51% in May 2023, leading to the further decrease in effective cobalt price of the Group. MB cobalt prices were traded at a low range during 2023 1H and the Group has adopted a sales strategy to slow down cobalt sales and to accumulate more cobalt inventory on hand in view to destock when cobalt price recovers. Therefore, approximately 172 tonnes of cobalt were sold in 2023 1H and a revenue of approximately US$3.6 million was recorded. In addition, a downward revision of provisional price previously recognised of US$5.1 million was made in 2023 1H as a result of the drop in MB cobalt price in 2023 1H.

The trading of mineral and metal products segment recorded a decrease in revenue on trading of externally sourced commodities of 38% from US$174.1 million for 2022 1H to US$107.6 million for 2023 1H. The decrease was due to the decrease in both trading volume and the commodities prices in 2023 1H.

* 1 tonne equivalent to 2,204.62 pounds

Cost of Sales

Cost of sales represents the costs associated with the production of copper and cobalt from the Group's mining operations and the purchase cost for the trading of mineral and metal products. The major components of cost of sales are as follows:

	2023	2022
	US$'000	*US$'000*
For the six months ended 30 June		
Mining operations:		
Realisation costs	**354**	713
Mining costs	**36,559**	36,871
Ore purchase	**1,324**	65,197
Salaries and wages	**23,671**	25,600
Processing costs	**61,534**	53,303
Engineering and technical costs	**11,067**	9,389
Safety, health, environment and community costs	**3,370**	3,205
Mine administrative expenses	**15,184**	16,075
Depreciation of property, plant and equipment	**34,659**	30,827
Depreciation of right-of-use assets	**42**	50
Amortisation of mineral rights	**8,657**	12,623
Movement in inventories	**(18,505)**	(46,881)
Sub-total	**177,916**	206,972
Trading of mineral and metal products:		
Purchase of commodities	**107,680**	174,047
Total Cost of Sales	**285,596**	381,019

Cost of sales for the Group's mining operations was US$177.9 million for 2023 1H, represented a decrease of 14% as compared to US$207.0 million for 2022 1H. Ore purchase expenses decreased from US$65.2 million for 2022 1H to US$1.3 million for 2023 1H as less foreign ores were purchased in 2023 1H. Processing costs were 15% higher for 2023 1H mainly due to higher electricity cost and due to unstable power supply from the national grid, more diesel power with higher cost were used, also higher reagent consumption due to acid solubility of the ores and the increase in the reagent price. As cobalt market price remained at a low level as at 30 June 2023, the Group has recognised an impairment loss on cobalt finished goods inventory amounted to US$10 million (included in movement in inventories above) in 2023 1H.

Cost of trading of mineral and metal products of US$107.7 million (2022 1H: US$174.0 million) represented the cost of commodities purchased by our trading subsidiaries in 2023 1H. The decrease in cost of sales was in line with the decrease of trading segment's revenue.

Royalty Payment

Royalty payment decreased from US$35.0 million for 2022 1H to US$13.1 million for 2023 1H mainly due to the decrease in sales volume of cobalt in 2023 1H.

Gross Profit

Gross profit of the Group's operations has decreased by 77% from US$123.4 million in 2022 1H to US$28.4 million in 2023 1H. The decrease of gross profit was mainly due to the drop in copper and cobalt prices and the delay in the sales of cobalt products in 2023 1H.

Net Finance Costs

Finance costs increased by 11% from US$4.1 million for 2022 1H to US$4.5 million for 2023 1H was due to the an increase in market interest rates and increase in bank borrowings and loan from intermediate holding company. Interest expenses on project loans raised for the construction of Musonoi Project were capitalised to construction in progress as the project was still in construction phase.

Gross interest expenses (before capitalisation) increased by 104% from US$5.4 million for 2022 1H to US$11.0 million for 2023 1H due to the increase in market interest rates since 2022 1H. The Musonoi Project loans increased by US$126 million offset by the gradual repayment of bank loans using cashflow from Kinsenda Mine, leading to a net increase in principal outstanding.

	2023	2022
	US$'000	*US$'000*
For the six months ended 30 June		
Finance income	**1,634**	604
Finance costs		
– Interest expenses	**(11,025)**	(5,418)
– Less: Amount capitalised in cost of qualifying assets	**6,490**	1,323
	(4,535)	(4,095)
Net Finance Costs	**(2,901)**	(3,491)

Other Income, Other Gains and Losses

The major components of other income, other gains and losses are as follows:

	2023	2022
	US$'000	*US$'000*
For the six months ended 30 June		
Royalty income under finance lease agreement	**1,070**	1,659
Exchange losses, net	**(16,269)**	(158)
Others	**260**	66
	(14,939)	1,567

Exchange losses, net

Due to the significant drop in the foreign exchange rate of CDF to US$ in 2023 1H, the Group's subsidiaries in the DRC recorded US$16.8 million exchange losses for those assets denominated in CDF, mainly on their respective value added tax recoverable.

Royalty income under finance lease agreement

Starting from 2021, Chibuluma South Mine (including Chifupu Deposit) was leased out under a finance lease agreement. The Group is entitled to fixed lease income and variable royalty income under the finance lease agreement. The lessee produced and sold approximately 1,666 tonnes (2022 1H: 1,843 tonnes) of copper for 2023 1H and the Group has recorded a royalty income of US$1.1 million (2022 1H: US$1.7 million) under the finance lease agreement.

Selling and Distribution Costs

The costs mainly represented the off-mine costs incurred when the Group sold its copper and cobalt products under the mining operations, and they primarily comprised of transportation expenses and custom clearing expenses. The breakdown of selling and distribution costs is as follows:

	2023	2022
	US$'000	*US$'000*
For the six months ended 30 June		
Off-mine costs:		
Clearing costs of export	**11,612**	11,210
Transportation	**329**	3,072
Others	**1,989**	1,116
Total Selling and Distribution Costs	**13,930**	15,398

Selling and distribution costs decreased by 9.5% from US$15.4 million for 2022 1H to US$13.9 million for 2023 1H. This was due to lower cobalt sales volume at Ruashi Mine offset by higher copper sales volume at Kinsenda Mine.

Administrative Expenses

Administrative expenses decreased by 39% from US$5.0 million for 2022 1H to US$3.0 million for the 2023 1H due to the effective cost control implemented in 2023 1H.

Income Tax Expense

The Group is subject to taxes in Hong Kong, the DRC, Zambia and South Africa due to its business operations in these jurisdictions. An income tax expense of US$3.6 million was derived in 2023 1H as compared to US$34 million in the 2022 1H. The decrease of income tax expenses was due to the US$6.4 million loss before income tax for 2023 1H compared to US$101.1 million profit before income tax for 2022 1H.

(Loss) Profit for the Period

As a result of the above, the Group recorded a loss after income tax of US$10.0 million for 2023 1H as compared to the profit after income tax of US$67.1 million for 2022 1H.

(Loss) Profit Attributable to Shareholders

The Group recorded a loss attributable to the Shareholders amounted to US$12.5 million for 2023 1H, as compared to the profit attributable to Shareholders of US$49.1 million for 2022 1H. As also envisaged in the Company's profit warning announcement dated 23 June 2023, the loss attributable to Shareholders for the 2023 1H was mainly due to the continuous drop in commodity prices for copper and cobalt, delay in the sales of cobalt products, impairment loss of cobalt inventories, foreign exchange loss due to the depreciation of CDF and increase in production costs.

Non-IFRS Financial Measure

C1 cash cost

The term "C1 cash cost" is a non-IFRS performance measure included in this "Management Discussion and Analysis" and is prepared on a per tonne of copper sold basis. The term C1 cash cost does not have any standardised meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. C1 cash cost is a common performance measure in the copper industry and is prepared and presented herein on a basis consistent with industry standard definitions. C1 cash costs include all mining and processing costs, mine site overheads, realisation costs through to refined metal and off-site costs.

The table below reconciles the Group's C1 cash costs to the statement of comprehensive income in the financial statements of the Group for the financial periods indicated.

	2023	2022
	US$'000	*US$'000*
For the six months ended 30 June		
Cash costs as reported in the income statement:		
Direct and indirect mining cost	**166,992**	225,801
Adjustment for change in inventory	**(18,505)**	(46,881)
Adjustment for cobalt (by-product) revenue	**1,532**	(130,830)
C1 cash costs	**150,019**	48,090
Copper sold *(tonnes)*	**29,324**	27,148
C1 cash cost per tonne of copper *(US$/tonne)*	**5,116**	1,771

The C1 cash cost increased significantly from US$1,771 per tonne in 2022 1H to US$5,116 per tonne in 2023 1H. As mentioned in the first paragraph of this "C1 cash cost" section, the C1 cash cost is a common performance measure for copper products. Thus the cobalt revenue is customarily deducted from the total cash costs in deriving those relevant to the copper production. The sharp C1 cash cost rise in fact is mainly a big difference for the arithmetic adjustment for cobalt revenue between the periods of 2023 1H and 2022 1H as the cobalt sales volume decrease significantly in 2023 1H. Other production cost increases like higher electricity costs and due to unstable power supply, more diesel power with higher cost were used and higher reagent cost amounted to the rest of the increase.

Earnings before interest (net finance costs), income tax, depreciation and amortisation and impairment loss ("EBITDA")

EBITDA is used by the management to evaluate the financial performance of the Group and identify underlying trends in business that could otherwise be distorted if the impact of items that do not consider indicative of the performance of the business and/or which we do not expect to be recurring are not eliminated. Companies may use different methods of depreciating assets. Management believes that these measures better reflect the Company's performance for the current period and are a better indication of its expected performance in future periods. EBITDA is intended to provide additional information, but does not have any standardized meaning prescribed by IFRS.

The EBITDA of the Group is derived as follows:

	2023	2022
	US$'000	*US$'000*
For the six months ended 30 June		
(Loss) Profit for the period	**(10,038)**	67,090
Add: Net finance costs	**2,901**	3,491
Add: Income tax expenses	**3,629**	34,049
Add: Depreciation of property, plant and equipment	**34,664**	30,856
Add: Depreciation of right-of-use assets	**383**	392
Add: Amortisation of mineral rights	**8,657**	12,623
EBITDA	**40,196**	148,501

The Company believes that in addition to conventional measures prepared in accordance with IFRS, certain investors will use the above tool and related information to evaluate the Company. It is intended to provide additional information and should not be considered in isolation nor as a substitute for measures of performance prepared in accordance with IFRS.

Issue of New Shares

During the six months period ended 30 June 2023 and 30 June 2022, no new Shares have been issued by the Company.

Capital Structure

The capital of the Company comprises ordinary shares and perpetual subordinated convertible securities. For the movement of share capital and perpetual subordinated convertible securities, please refer to notes 13 and 14 of this announcement.

Liquidity and Financial Resources

As at 30 June 2023, the Group had bank balances and cash (including bank deposits) of US$129.0 million as compared to US$89.7 million as at 31 December 2022.

As at 30 June 2023, the Group had total bank borrowings and overdrafts of US$266.1 million (31 December 2022: US$197.8 million) in which the bank borrowings and overdrafts of US$75.1 million (31 December 2022: US$70.8 million) are due within one year, bank borrowings of US$157.0 million (31 December 2022: US$127.0 million) are due within two to five years and bank borrowings of US$34.0 million are due over five years (31 December 2022: Nil).

In December 2020, the Group entered into interest rate swap agreements with an independent commercial bank to swap the Group's LIBOR denominated bank loans with principal amount of US$194.0 million to fixed interest rate for the remaining loan term. As at 30 June 2023, bank loans with principal amount of US$17.0 million are carrying effective fixed interest rate for the remaining loan term of 3.9% per annum.

As at 30 June 2023, the Group had loans from related companies of US$152.6 million (31 December 2022: US$112.1 million), of which US$11.9 million (31 December 2022: US$11.2 million) are due within one year and loans from related companies of US$140.7 million (31 December 2022: US$110.9 million) are due within two to five years.

The gearing ratio of the Group as at 30 June 2023 was 25.1% compared to 18.9% as at 31 December 2022. Gearing ratio is defined as net debt over total equity, and net debt is derived from total borrowings (including amount due to related companies and bank overdrafts) less bank balances and cash (including bank deposits). The increase in the gearing ratio was due to the increase of loans from related companies and bank borrowings.

For the six months period ended 30 June 2023, the Group financed its operations with loan facilities provided by banks, borrowings from related companies and internally generated cash flows.

Material Acquisitions and Disposals of Investments

During the six months period ended 30 June 2023, there was no material acquisition or disposal of subsidiaries, associates and joint ventures.

Significant Events

Musonoi Project Procurement Contract

Ruashi and Jinchuan Cooperation Company entered into a procurement contract on 2 December 2022 in relation to the material and equipment procurement, export and logistics transportation required for mineral dressing, tailing pond and filling station of Musonoi Project. The relevant resolution was passed to approve the aforesaid procurement contract, at the Company's extraordinary general meeting held on 7 March 2023. For details, please refer to the Company's circular dated 14 February 2023 and the Company's announcement dated 7 March 2023.

Significant Capital Expenditures

During the six months period ended 30 June 2023, the Group acquired property, plant and equipment amounting to US$94.2 million (2022 1H: US$45.6 million) and incurred expenditures on exploration and evaluation assets amounting to US$182,000 (2022 1H: US$23,000) for the Group's mining operations. During the six months period ended 30 June 2023 and 30 June 2022, the Group did not recognise any additional right-of-use assets. US$84.0 million (2022 1H: US$30.7 million) of the capital expenditure incurred in the six months period ended 30 June 2023 related to the construction cost of Musonoi Project.

Details of Charges on the Group's Assets

As at 30 June 2023, none of the Group's assets were pledged or subject to encumbrance to secure general banking facilities granted to the Group.

Details of Contingent Liabilities

As at 30 June 2023, the Group did not have any significant contingent liabilities.

Foreign Exchange Risk Management

The reporting currency of the Group is US$ and the functional currencies of subsidiaries of the Group are mainly US$. The Group is also exposed to currency change in HK$, ZAR, CDF and ZMW. Given the exchange rate peg between HK$ and US$, the Group is not exposed to significant exchange rate risk of HK$. The Group's significant assets are located in the DRC, Zambia and South Africa and the Group is exposed to fluctuation in CDF, ZMW and ZAR. The Group monitors its exposure to foreign currency exchange risk on an on-going basis.

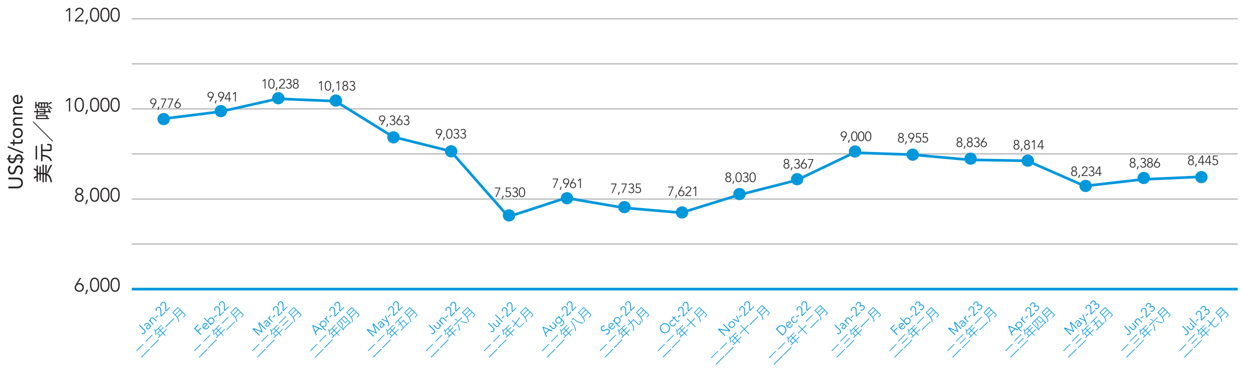
PROSPECT

Copper price is highly susceptible to swings in global policy and economic uncertainty.

The LME copper price rose rapidly up to US$9,340 per tonne in early 2023 due to the improved demand outlook from the PRC, following the relaxation of COVID-19 restrictions in late 2022 and sluggish copper mine supply growth.

Followed by banking failures in the US and Europe and the continuous interest rate hike of the US Federal Reserve, the copper market demand sentiment was weakened and long-term investments were somehow discouraged. Together with the modest economic growth of the PRC, the LME copper price dropped to US$8,210 per tonne at the end of June 2023. Although the copper price was supported by the global low inventory level due to the temporary suspension of the large scale of copper mines in Peru and Panama in early 2023 1H, commodities price has been volatile in 2023 1H and is likely to remain volatile in the short-term future.

LME COPPER PRICE (JAN 2022 TO JULY 2023)



In short term, copper price is supported by growing optimism over demand in the PRC and mounting supply risks in Chile. The PRC government has promised more support for the real estate sector and a reduction in the local-government debt burden, which are expected to boost the need for commodities. In addition, more supportive policies are being studied to drive consumption of electric vehicles, which in turn, shall drive up the demand for copper.

Supply risks were also in focus after a major miner in Chile lowered its 2023 annual production guidance and raised cost estimates in late July 2023. Moreover, Chile had approved the mining royalty bill in May 2023 for which Chilean companies are expected to temper their growth plans in 2023 as the likelihood of higher taxes and labour costs dampen returns on new projects.

In long term, copper fundamental factors are still strong. Copper, as a critical commodity used in construction and infrastructure, will definitely benefit from the economic recovery. Nations around the globe have initiated the strategic target of carbon neutral under the prevailing Environment, Social and Governance ("**ESG**") concerns. Copper, as the most commonly used conductible material, will be used more frequently in areas including solar and windpower storage, new energy and distribution grid under the carbon neutral era, the demand for copper will further increase.

Growth in long-term copper demand will be driven by the growth in fast expanding green technologies, where copper is used in energy storage, electric vehicles, EV charging infrastructure, wind power generation and solar photovoltaic panels. S&P Global forecasted that long-term copper demand will reach approximately 53 million tonnes annually in order to reach carbon neutrality by 2050, more than double the current level.

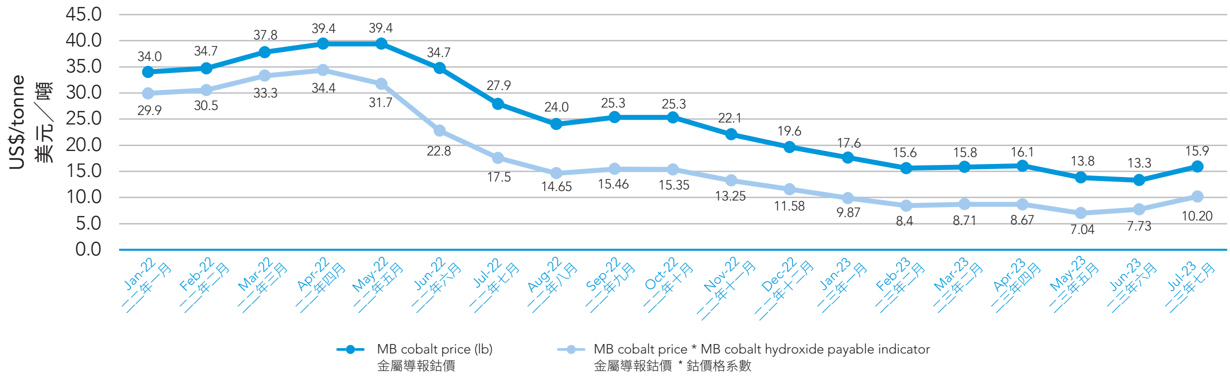
In the case of cobalt, benchmark MB cobalt price has retreated by approximately 59% from US$39.75 per pound (US$87,634 per tonne*) at the end of April 2022 to US$14.25 per pound (US$31,416 per tonne*) at the end of June 2023.

*   1 tonne equivalent to 2,204.62 pounds

The drop in cobalt price was due to weak global demand and growing supplies from Indonesia, emerging quickly as the world's second largest cobalt producing country. On the other hand, cobalt demand has been affected by the uncertainty under COVID-19 where capital investments were deferred and with the termination of national EV subsidy program in the PRC effective from January 2023, short-term EV demand growth was slower than expected and hence affected the short-term demand for cobalt.

Coupling with the decrease in cobalt hydroxide coefficient in deriving our cobalt sales; where benchmark MB cobalt hydroxide coefficient has decreased from 87% at the end of April 2022 to 63% at the end of June 2023, leading to the further decrease in our realised cobalt price of the Group.

MB COBALT PRICE (JAN 2022 TO JULY 2023)



Surpluses are expected to remain a feature of the cobalt market as producers in Indonesia ramp up production and a major miner in the DRC resumed its export after a one-year export stoppage of its cobalt products. Meanwhile, a major cobalt-producing company would consider reducing production and adding to its stockpiles to support cobalt prices.

The EV industry is the largest consumer of cobalt, accounting for approximately 40% of total demand. According to the China Association of Automobile Manufacturers, 3.7 million new energy vehicles were sold in 2023 1H, almost 44% higher year-on-year. The exponential growth of the EV sector is expected to drive a doubling of global cobalt demand by 2030. Cobalt is expected to remain a vital raw material for the entire battery supply chain in the near future. Analyst forecasts the demand for cobalt would be more than double by 2030 (from 2022) to approximately 388,000 tonnes. Moreover, aviation industry continues its recovery from COVID-19 disruption, adding to further demand of cobalt.

Copper and cobalt markets are easily affected by global economy uncertainties and will continue to be difficult to operate in the near future. The Group will continue to monitor all factors causing market fluctuation and will ensure the Group is able to respond to any market changes in a timely manner.

Since the Group's business spans over different regions and countries, our overseas business is therefore susceptible to the stability of and changes in the local government policies, social and economic environments, and international relations. If there are any material adverse changes in the aforesaid factors, our business, financial condition and operating results may be adversely affected. We endeavour to closely monitor the aforesaid situation and to promptly adjust our strategies in response thereto.

To be a world-class mineral corporation is the ultimate goal of the Group. The Group's focus in the near future is the construction of our advanced development project, the Musonoi copper-cobalt mine in Kolwezi, the DRC. Construction work at Musonoi Project has progressed well in 2023 1H.

Also, with the continuous support of JCG and prudent strategic planning of the Board, the Group remains confident that the performance of the Group will overcome the disadvantages and stand out from the crowd under such unfavorable market conditions and create values for the stakeholders of the Company.

We will continue to improve quality and efficiency; strives to continuously reducing production costs, and thus achieving a better profitability.

EMPLOYEES

As at 30 June 2023, the Group had 1,590 (31 December 2022: 1,598) permanent workers and 4,452 (31 December 2022: 4,050) contractor's employees. Employees of the Group receive competitive remuneration packages including salary and medical and other benefits. Key staff may also be entitled to performance bonuses and grant of option shares of the Company.

DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2023 (six months ended 30 June 2022: Nil).

AUDIT COMMITTEE

The Company has established an audit committee (the "**Audit Committee**") with written specific terms of reference in compliance with the Listing Rules/CG Code provisions. As at the date of this announcement, the Audit Committee comprised one executive Director, namely, Mr. Cheng Yonghong, and three independent non-executive Directors, namely Mr. Poon Chiu Kwok (Chairman of Audit Committee), Mr. Yen Yuen Ho, Tony and Mr. Yu Chi Kit who together have the relevant accounting and financial management expertise, industrial knowledge, legal and business experience to discharge their duties. The Audit Committee's primary duties include review of the effectiveness of the Group's financial reporting process, internal control and risk management systems, overseeing the audit process and performing other duties as may be assigned by the Board from time to time. The Group's unaudited interim financial statements and the interim report for the six months ended 30 June 2023 have been reviewed by the Audit Committee.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Board is committed to establishing and maintaining high standards of corporate governance to enhance Shareholders' interest and promote sustainable development. The Company has applied the principles and complied with all applicable code provisions of the CG Code during the six months ended 30 June 2023.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code, as set out in Appendix 10 to the Listing Rules, as its own code of conduct regarding Director's dealings in the Company's securities. Based on specific enquiry made to all Directors, the Directors have confirmed that they have complied with the required standards as set out in the Model Code during the six months ended 30 June 2023.

PURCHASE, SALES OR REDEMPTION OF LISTED SECURITIES

During the six months ended 30 June 2023, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

APPRECIATION

The Board would like to thank all our Shareholders, community and business partners for their tremendous support, and extend our heartfelt gratitude to all employees for their dedicated hard works, especially in this difficult time under COVID-19 pandemic.

Finally, the Board would like to thank the People's Government of Gansu Province for their special support to JCG and the Company.

PUBLICATION OF FINANCIAL RESULTS ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This announcement is available for viewing on the websites of the Stock Exchange and the Company. The interim report of the Company for the six months ended 30 June 2023 will be dispatched to Shareholders and published on the Stock Exchange and the Company's websites respectively in due course.

GLOSSARY

"%"	percentage
"Acquisition" or "Combination"	the acquisition by the Company of the entire equity interest in Jin Rui (along with the Metorex Group) in November 2013 pursuant to the sale and purchase agreement dated 27 August 2013, the details of which are set out in the circular of the Company dated 30 August 2013; with a total consideration of US$1,290,000,000 which was satisfied by the allotment and issue of 1,595,880,000 new ordinary shares of the Company at an issue price of HK$1 per share and the issue of PSCS of the Company in the aggregate amount of US$1,085,400,000
"associate"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"BVI"	the British Virgin Islands
"CDF"	Congolese Franc, the lawful currency of the DRC
"CG Code"	Corporate Governance Code as set out in Appendix 14 to the Listing Rules
"Chibuluma"	Chibuluma Mines plc, a company incorporated in Zambia and an indirect non wholly-owned subsidiary of the Company
"Chibuluma South Mine"	an underground copper mine owned by Chibuluma situated in Zambia near the town of Kalulushi
"Chifupu Deposit"	an underground copper mine owned by Chibuluma which is located approximately 1.7km southwest of Chibuluma South Mine
"connected person"	has the meaning ascribed to it under the Listing Rules
"controlling shareholder"	has the meaning ascribed to it under the Listing Rules
"Conversion"	the conversion exercised by various investors including Jinchuan (BVI) Limited, an indirect wholly-owned subsidiary of JCG, which in turn is the controlling shareholder of the Company, in respect of the conversion of the PSCS in an aggregate principal amount of US$996,938,461 into conversion shares at the conversion price of HK$1.00 per Share

“COVID-19”	Novel coronavirus pneumonia epidemic
“Director(s)”	the director(s) of the Company
“DRC”	the Democratic Republic of Congo
“EBITDA”	Earnings before interest (net finance costs), income tax, depreciation and amortisation and impairment loss
“EV(s)”	electric vehicle(s)
“Group”	the Company and its subsidiaries and associates controlled by the Company from time to time
“HK$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“JCG”	金川集團股份有限公司 (Jinchuan Group Co., Ltd.*), a state-owned enterprise established in the PRC and the ultimate controlling shareholder of the Company
“JCI” or “Company”	Jinchuan Group International Resources Co. Ltd, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 2362)
“Jin Rui”	Jin Rui Mining Investment Limited, a company incorporated in the Republic of Mauritius and a direct wholly-owned subsidiary of the Company
“Jinchuan Cooperation Company”	甘肅金川國際經濟技術合作有限公司 (Gansu Jinchuan International Cooperation Co., Ltd.*), an indirect wholly-owned subsidiary of JCG
“Jinchuan BVI”	Jinchuan (BVI) Limited, an indirect wholly-owned subsidiary of JCG
“Kinsenda”	Kinsenda Copper Company SA, a company incorporated in the DRC and an indirect non wholly-owned subsidiary of the Company
“Kinsenda Mine”	an underground copper mine owned by Kinsenda and situated in Haut Katanga Province in the DRC
“km”	kilometer(s)
“LIBOR”	the London Interbank Offered Rate

"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"LME"	London Metal Exchange, a recognized investment exchange regulated by the Financial Conduct Authority of the United Kingdom and a recognised publisher of reference prices for various metals which are timely published on its designated website (www.lme.com) on a daily basis for metal and investment communities
"Lubembe Project"	a greenfield copper project owned by Kinsenda and situated in Haut Katanga Province in the DRC
"MB"	Metal Bulletin, a premium intelligence service for metal and steel professionals, being part of group of companies of the Euromoney Institutional Investor Plc and a recognised publisher of reference prices for long-term cobalt trading contracts which are timely published on its designated website (www.metalbulletin.com) on a daily basis for subscribed members and publications
"Metorex"	Metorex (Proprietary) Limited, a company incorporated in South Africa and an indirect wholly-owned subsidiary of the Company
"Metorex Group"	Metorex and its subsidiaries (including Chibuluma, Kinsenda and Ruashi), the mining operation arm of the Group
"Mineral and Metal Products"	mineral products, metal products and other raw materials, including but not limited to copper or nickel ores and concentrates, copper or nickel cathodes and other forms of copper, nickel or other metals bearing raw materials, cobalt and its related products
"Model Code"	Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules
"Musonoi Project"	a brownfield copper and cobalt project owned by Ruashi and situated in Lualaba Province in DRC
"Operating Mines"	Ruashi Mine and Kinsenda Mine
"PRC"	the People's Republic of China
"PSCS" or "Convertible Securities"	the perpetual subordinated convertible securities issued by the Company to satisfy part of the purchase price for the Acquisition

"Ruashi"	Ruashi Mining SAS, a company incorporated in the DRC and an indirect non wholly-owned subsidiary of the Company
"Ruashi Mine"	an open-cast oxide copper and cobalt mine owned by Ruashi and situated in the DRC on the outskirts of Lubumbashi, the capital of Haut Katanga Province
"Share(s)"	ordinary share(s) with nominal value of HK$0.01 each in the share capital of the Company and listed on the Stock Exchange
"Shareholder(s)"	the holder(s) of the Share(s)
"South Africa"	the Republic of South Africa
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
"t"	tonne(s)
"US$"	United States dollars, the lawful currency of the United States of America
"Zambia"	the Republic of Zambia
"ZAR"	South African Rand, the lawful currency of South Africa
"ZMW"	Zambian Kwacha, the lawful currency of Zambia

* *for identification purposes only*

By order of the Board
Jinchuan Group International Resources Co. Ltd
Wong Tak Chuen
Company Secretary

Hong Kong, 18 August 2023

As at the date of this announcement, the Board comprises two executive directors, namely Mr. Gao Tianpeng and Mr. Cheng Yonghong; two non-executive directors, namely Mr. Liu Jian and Mr. Wang Qiangzhong; and four independent non-executive directors, namely Mr. Yen Yuen Ho, Tony, Mr. Poon Chiu Kwok, Mr. Yu Chi Kit and Ms. Han Ruixia.