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Xinjiang Xinxin Mining Industry Co., Ltd.*

新疆新鑫礦業股份有限公司

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

(Stock code: 3833)

POSITIVE PROFIT ALERT

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board would like to inform the Shareholders and potential investors that based on the preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2021, the Group expects to record a net profit for the Interim Period amounting to approximately RMB228 million as compared to the net loss of approximately RMB62.6 million for the corresponding period of 2020.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

This announcement is made by Xinjiang Xinxin Mining Industry Co., Ltd.* (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) 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 of the Laws of Hong Kong) (“**SFO**”).

The board of directors of the Company (the “**Board**”) would like to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2021 (the “**Interim Period**”, the “**Period**”), the Group expects to record a net profit for the Interim Period amounting to approximately RMB228 million as compared to the net loss of approximately RMB62.6 million for the corresponding period of 2020.

The Board believes that the significant increase in operating results of the Group for the Interim Period as compared to the corresponding period of the previous year was mainly attributable to:

1. revenue for the Period amounted to approximately RMB1,157 million, representing a substantial increase of approximately 83.1% as compared to RMB632 million in the corresponding period of the previous year, mainly attributable to (i) the sales volume of nickel cathode amounting to approximately 5,879 tonnes during the Period, representing an increase of approximately 51.9% as compared to 3,870 tonnes in the corresponding period of the previous year, and (ii) the average selling prices of nickel cathode and copper cathode amounted to approximately RMB120,055 and RMB59,938 per tonne during the Period, respectively, representing a respective increase of approximately 33.5% and 57.5% from RMB89,908 and RMB 38,051 per tonne respectively in the corresponding period of the previous year, and
2. financial expenses for the Period amounted to approximately RMB37.7 million, representing a decrease of approximately RMB12.5 million (i.e. approximately 24.9%) as compared to RMB50.2 million in the corresponding period of the previous year.

The Company is in the process of finalising the Group's interim results for the Interim Period. The information contained in this announcement is only a preliminary assessment by the Board based on the unaudited consolidated management accounts of the Group and such information has not been audited or reviewed by the Company's auditors. Shareholders and potential investors are advised to refer to the details in the interim results announcement of the Company for the Interim Period, which is expected to be published by the end of August 2021.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

By order of the Board
Xinjiang Xinxin Mining Industry Co., Ltd.*
Li Zhenzhen, Lam Cheuk Fai
Joint Company Secretaries

Xinjiang, the PRC, 23 July 2021

As at the date of this announcement, the executive Directors are Mr. Qi Xinhui and Mr. Yu Wenjiang; the non-executive Directors are Mr. Zhang Guohua, Mr. Zhou Chuanyou, Mr. Guo Quan and Mr. Hu Chengye; and the independent non-executive Directors are Mr. Hu Benyuan, Mr. Wang Qingming and Mr. Lee Tao Wai.

* For identification purposes only