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 2024

RESULTS

The Board is pleased to announce the unaudited condensed consolidated interim results of the Group for the six months ended 30 June 2024 together with the comparative figures for the corresponding period in 2023 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2024

		Six months ended 30 June	
		2024	2023
	Notes	***US$'000***	*US$'000*
		(unaudited)	(unaudited)
Revenue	4	**283,032**	327,112
Cost of sales		**(226,390)**	(285,596)
Royalty payment		**(13,596)**	(13,127)
Gross profit		**43,046**	28,389
Other income, other gains and losses	6	**(423)**	(14,939)
Selling and distribution costs		**(14,559)**	(13,930)
Administrative expenses		**(3,202)**	(3,028)
Finance income		**2,001**	1,634
Finance costs		**(7,568)**	(4,535)
Profit (loss) before tax	7	**19,295**	(6,409)
Income tax expense	8	**(6,511)**	(3,629)
Profit (loss) for the period		**12,784**	(10,038)

	Notes	Six months ended 30 June **2024** ***US$'000*** **(unaudited)**	 2023 *US$'000* (unaudited)
Other comprehensive expense:			
Item that may be reclassified subsequently to profit or loss:			
Fair value loss on hedging instruments designated in cash flow hedges		**(185)**	(701)
Total comprehensive income (expense) for the period		**12,599**	(10,739)
Profit (loss) for the period attributable to:			
Owners of the Company		**9,241**	(12,501)
Non-controlling interests		**3,543**	2,463
		12,784	(10,038)
Total comprehensive income (expense) attributable to:			
Owners of the Company		**9,056**	(13,202)
Non-controlling interests		**3,543**	2,463
		12,599	(10,739)
Earnings (loss) per share			
Basic *(US cent)*	10	**0.07**	(0.10)
Diluted *(US cent)*	10	**0.07**	(0.10)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 30 June 2024

	Notes	30 June 2024 US$'000 (unaudited)	31 December 2023 US$'000 (audited)
Non-current assets			
Property, plant and equipment		**1,048,253**	1,012,652
Right-of-use assets		**964**	903
Mineral rights		**537,209**	546,215
Exploration and evaluation assets		**122,297**	122,252
Inventories		**102,093**	102,996
Other non-current assets		**169,641**	114,753
		1,980,457	1,899,771
Current assets			
Inventories		**130,681**	115,146
Trade and other receivables	11	**75,881**	63,149
Financial assets at fair value through profit or loss ("**FVTPL**")		**1,945**	2,882
Derivative financial instruments		**–**	185
Tax recoverable		**–**	4,265
Bank deposits with original maturity over three months		**26,058**	23,603
Bank balances and cash		**80,980**	61,381
		315,545	270,611
Current liabilities			
Trade and other payables	12	**202,252**	177,325
Amount due to ultimate holding company		**1,512**	936
Amount due to a non-controlling shareholder of a subsidiary		**368**	345
Bank borrowings		**80,514**	53,966
Lease liabilities		**625**	689
Short-term provisions		**4,733**	4,467
Bank overdrafts		**18,798**	15,540
Tax payable		**354**	–
		309,156	253,268
Net current assets		**6,389**	17,343
Total assets less current liabilities		**1,986,846**	1,917,114

	Notes	**30 June 2024 US$'000 (unaudited)**	31 December 2023 *US$'000* (audited)
Non-current liabilities			
Deferred tax liabilities		**354,824**	356,182
Bank borrowings		**236,685**	209,000
Amount due to an intermediate holding company		**210,647**	171,698
Amount due to a fellow subsidiary		**3,952**	5,817
Lease liabilities		**235**	175
Long-term provisions		**21,342**	24,474
		827,685	767,346
Net assets		**1,159,161**	1,149,768
Capital and reserves			
Share capital	13	**16,027**	16,027
Perpetual subordinated convertible securities	14	**88,462**	88,462
Reserves		**886,818**	880,968
Equity attributable to owners of the Company		**991,307**	985,457
Non-controlling interests		**167,854**	164,311
Total equity		**1,159,161**	1,149,768

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

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 addresses 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 D2 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 2024 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2023.

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 2024 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

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	
	2024	2023
	US$'000	*US$'000*
	(unaudited)	(unaudited)
Sales of copper	**261,981**	320,973
Sales of cobalt	**17,252**	17,513
Revenue from contracts with customers from sales of mineral and metal products	**279,233**	338,486
Provisional pricing adjustments, net	**3,799**	(11,374)
	283,032	327,112

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 2024 (unaudited)

	Mining operations *US$'000*	Trading of mineral and metal products *US$'000*	Total *US$'000*
Segment revenue			
Revenue			
– Sales of copper	**202,133**	**59,848**	**261,981**
– Sales of cobalt	**14,091**	**3,161**	**17,252**
	216,224	**63,009**	**279,233**
Provisional pricing adjustments, net	**6,558**	**(2,759)**	**3,799**
	222,782	**60,250**	**283,032**
Segment results	**22,962**	**1,505**	**24,467**
Unallocated corporate income			**348**
Unallocated corporate expenses			**(5,520)**
Profit before tax			**19,295**

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)

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 profit (loss) 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	
	2024	2023
	US$'000	*US$'000*
	(unaudited)	(unaudited)
Exchange losses, net	**(1,710)**	(16,269)
Royalty income	**948**	1,070
Fair value gain on financial assets at FVTPL	**62**	82
Others	**277**	178
	(423)	(14,939)

7. PROFIT (LOSS) BEFORE TAX

	Six months ended 30 June	
	2024	2023
	US$'000	*US$'000*
	(unaudited)	(unaudited)
Profit (loss) before tax has been arrived at after charging:		
Depreciation of property, plant and equipment	**40,745**	34,664
Depreciation of right-of-use assets	**374**	383
Amortisation of mineral rights	**9,006**	8,657
Impairment loss on inventories (included in cost of sales)	**–**	10,000

8. INCOME TAX EXPENSE

	Six months ended 30 June	
	2024	2023
	US$'000	*US$'000*
	(unaudited)	(unaudited)
The tax expense comprises:		
Current taxation		
Corporate income tax in the DRC	**7,732**	6,132
Corporate income tax in Zambia	**137**	285
	7,869	6,417
Deferred taxation	**(1,358)**	(2,788)
	6,511	3,629

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 2023: 15%, 28%, 30% 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 2023 of HK0.2 cent (six months ended 30 June 2023: final dividend in respect of the year ended 31 December 2022 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 2023: US$3,206,000), has been approved by the shareholders at the annual general meeting of the Company held on 26 June 2024.

No dividend was paid or declared by the Company in respect of the six months ended 30 June 2024 (six months ended 30 June 2023: Nil).

10. EARNINGS (LOSS) PER SHARE

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

	Six months ended 30 June	
	2024	2023
	US$'000	*US$'000*
	(unaudited)	(unaudited)
Earnings (loss)		
Earnings (loss) for the purpose of basic earnings (loss) per share	**9,241**	(12,501)
Add: Interest expense on Convertible Securities	**44**	–
Earnings (loss) for the purpose of diluted earnings (loss) per share	**9,285**	(12,501)

	Six months ended 30 June	
	2024	2023
	(unaudited)	(unaudited)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings (loss) per share	**12,502,082,051**	12,502,082,051
Effect of dilutive potential ordinary shares:		
Convertible Securities	**690,000,000**	–
Weighted average number of ordinary shares for the purpose of diluted earnings (loss) per share	**13,192,082,051**	12,502,082,051

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 2024 US$'000 (unaudited)	31 December 2023 US$'000 (audited)
Financial assets at FVTPL		
Trade receivables under provisional pricing arrangements	**53,433**	43,599
Financial assets at amortised cost		
Other receivables	**8,290**	4,783
Loan to a DRC state-owned power company	**547**	547
	8,837	5,330
Non-financial assets		
Other receivables	**2,509**	2,045
Prepayments	**11,102**	12,175
	13,611	14,220
	75,881	63,149

The Group provides customers with a credit period ranging from 5 days to 30 days (31 December 2023: 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 2024 US$'000 (unaudited)	31 December 2023 US$'000 (audited)
Within 3 months	**53,433**	43,599

As at 30 June 2024, trade receivables under provisional pricing arrangement amounting to US$2,237,000 (31 December 2023: US$3,692,000) which was past due and was included in financial assets at FVTPL.

12. TRADE AND OTHER PAYABLES

	30 June 2024 US$'000 (unaudited)	31 December 2023 US$'000 (audited)
Financial liabilities at FVTPL		
Trade payables under provisional pricing arrangements	**52,610**	55,590
Financial liabilities at amortised cost		
Mining expenses payables	**21,550**	12,921
Construction cost payables	**73,815**	60,373
Other payables	**3,730**	4,354
Dividend payable	**3,206**	–
	102,301	77,648
Non-financial liabilities		
Accrued royalty payment and other tax payable	**8,014**	11,047
Provision for import duties and export clearing charges	**13,746**	8,528
Others *(Note)*	**25,581**	24,512
	47,341	44,087
	202,252	177,325

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 2024 US$'000 (unaudited)	31 December 2023 US$'000 (audited)
Within 3 months	**52,117**	54,950
4 to 6 months	**493**	640
	52,610	55,590

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

13. SHARE CAPITAL

	Number of shares	Amount HK$'000	Amount US$'000
Ordinary shares of HK$0.01 each			
Authorised:			
At 1 January 2023, 31 December 2023, 1 January 2024 and 30 June 2024	20,000,000,000	200,000	25,641
Issued and fully paid:			
At 31 December 2023 (audited) and 30 June 2024 (unaudited)	12,502,082,051	125,021	16,027

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 2023 (audited) and 30 June 2024 (unaudited)	690,000,000	88,462

15. CAPITAL COMMITMENTS

	30 June 2024	31 December 2023
	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	**274,512**	219,702

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

JCI and its subsidiaries are principally engaged in (i) the mining of non-ferrous 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 for the six months ended 30 June 2024 ("**2024 1H**") had turnaround from loss to profit as compared with the six months ended 30 June 2023 ("**2023 1H**"). The results were primarily due to the increase in copper prices, lower production costs, the absence of impairment loss of cobalt inventories and significant decrease in net exchange losses.

The average benchmark LME copper price for 2024 1H was US$9,097 per tonne, representing a 5% increase as compared to that for 2023 1H of US$8,704 per tonne. LME copper price began the year at US$8,430 per tonne, rose to the highest of US$10,857 per tonne in late May 2024, then retracted and closed at US$9,477 per tonne as at 30 June 2024.

The average MB cobalt price for 2024 1H was US$12.22 per pound (US$26,940 per tonne*), representing a 21% decrease as compared to that of US$15.37 per pound (US$33,885 per tonne*) for 2023 1H. Cobalt was trading at the low range throughout both 2024 1H and 2023 1H.

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 2024 1H, the Group produced approximately 28,578 tonnes of copper (2023 1H: approximately 30,200 tonnes) and approximately 681 tonnes of cobalt (2023 1H: approximately 1,364 tonnes) and sold approximately 26,222 tonnes of copper (2023 1H: approximately 29,324 tonnes) and approximately 991 tonnes of cobalt (2023 1H: approximately 172 tonnes) which generated revenue of US$209.1 million and US$13.7 million respectively (2023 1H: US$221.0 million and -US$1.5 million respectively).

* 1 tonne equivalent to 2,204.62 pounds

Copper production was 5% lower in 2024 1H at approximately 28,578 tonnes as compared to 2023 1H at approximately 30,200 tonnes. Ruashi Mine's copper production in 2024 1H at approximately 13,334 tonnes was 7% lower as compared to 2023 1H at approximately 14,357 tonnes. Production included 2,204 tonnes (2023 1H: 1,212 tonnes) of copper content in copper sulphide concentrate and 11,130 tonnes of copper cathode (2023 1H: 13,145 tonnes). Copper cathode production at 11,130 tonnes was 15% lower than that of 13,145 tonnes as compared to 2023 1H, due to the unstable power supply from the national grid. Kinsenda Mine reported 4% lower copper production at approximately 15,244 tonnes in 2024 1H as compared to approximately 15,843 tonnes in 2023 1H. This was mainly due to the lower ore feed grade at 4.48% in 2024 1H, which was 4% lower as compared to 2023 1H at 4.67%.

Cobalt production decreased by 50% from approximately 1,364 tonnes in 2023 1H to approximately 681 tonnes in 2024 1H. It was due to the lower ore feed grade and the continual decline in cobalt market prices in 2024 1H. The Group had adjusted its production plan to reduce the cobalt output and decided to temporarily cease the cobalt production in late May 2024 so as to devote more resources to the production of copper.

The Group also has control over Musonoi Project, a copper and cobalt project at advanced 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 2024 1H, the trading division of the Group recorded a turnover of US$60.3 million (2023 1H: US$107.6 million) via the trading of commodities, including copper cathode and cobalt hydroxide. The significant drop of 44% in trading revenue is mainly due to more focused selection of appropriate mineral sources in matching with customers' needs.

FINANCIAL REVIEW

The Group's operating results for 2024 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 2024 1H was US$283.0 million, representing a decrease of 14% compared to US$327.1 million for 2023 1H. Reasons for the decrease in revenue for 2024 1H are discussed below.

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

For the six months ended 30 June

	2024	2023
Mining operations:		
Volume of copper sold *(tonnes)*	**26,222**	29,324
Volume of cobalt sold *(tonnes)*	**991**	172
Average price realised per tonne of copper *(US$)*	**7,973**	7,538
Average price realised per tonne of cobalt *(US$)*	**13,830**	N/A
Revenue from sales of copper *(US$'000)*	**209,077**	221,041
Revenue from sales of cobalt *(US$'000)*	**13,705**	(1,532)
Total revenue from mining operations – including provisional pricing adjustments *(US$'000)*	**222,782**	219,509
Trading of mineral and metal products:		
Revenue – trading of externally sourced mineral and metal products – including provisional pricing adjustments *(US$'000)*	**60,250**	107,603
Total Revenue *(US$'000)*	**283,032**	327,112

Note: Pricing coefficients were considered in actual sales revenue.

The Group sold approximately 26,222 tonnes of copper content contained in copper cathode and copper concentrate for 2024 1H (2023 1H: approximately 29,324 tonnes), of which the copper sales volume of Ruashi Mine for 2024 1H was approximately 10,887 tonnes, reflecting a decrease of 2% from approximately 11,060 tonnes for 2023 1H, which were mainly driven by the decrease in production volume of copper cathode in relation to the unstable power supply from the national grid in the DRC. Copper sales volume of Kinsenda Mine for 2024 1H was approximately 15,335 tonnes, representing a decrease of 16% from approximately 18,264 tonnes for 2023 1H due to the effective destocking of its copper inventory in 2023 1H. The Group sold approximately 991 tonnes of cobalt content contained in cobalt hydroxide for 2024 1H, representing an increase of 819 tonnes compared with approximately 172 tonnes for 2023 1H as the Group actively destocked its cobalt inventory in 2024 1H in order to enhance the Group's cashflow.

Copper revenue from mining operations for 2024 1H was US$209.1 million, representing a decrease of 5% as compared to 2023 1H of US$221.0 million. The average benchmark LME copper price for 2024 1H was US$9,097 per tonne, representing a 5% increase as compared to that for 2023 1H of US$8,704 per tonne, resulting in an 6% increase of the average copper price realised from US$7,538 per tonne for 2023 1H to US$7,973 per tonne for 2024 1H.

Cobalt revenue from mining operations for 2024 1H was US$13.7 million, representing an increase of US$15.2 million as compared to 2023 1H of -US$1.5 million. The average MB cobalt price for 2024 1H was US$12.22 per pound (US$26,940 per tonne*), representing a 21% decrease as compared to that of US$15.37 per pound (US$33,885 per tonne*) for 2023 1H. Cobalt hydroxide coefficient commenced the year at 53–54% and showed modest improvement to 57–61% by the end of June 2024 with support from declining cobalt prices.

The trading of mineral and metal products segment recorded a decrease in revenue on trading of externally sourced commodities of 44% from US$107.6 million for 2023 1H to US$60.3 million for 2024 1H. The decrease was due to the decrease in both trading volume and the cobalt prices in 2024 1H.

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:

For the six months ended 30 June

	2024 ***US$'000***	2023 *US$'000* *(Note)*
Mining operations:		
Realisation costs	**414**	354
Mining costs	**39,017**	42,803
Ore purchase	**–**	1,324
Salaries and wages	**24,974**	23,671
Processing costs	**49,731**	65,031
Engineering and technical costs	**1,712**	1,435
Safety, health, environment and community costs	**2,976**	3,173
Mine administrative expenses	**15,802**	15,272
Depreciation of property, plant and equipment	**40,729**	34,659
Depreciation of right-of-use assets	**13**	42
Amortisation of mineral rights	**9,006**	8,657
Movement in inventories	**(18,282)**	(18,505)
Sub-total	**166,092**	177,916
Trading of mineral and metal products:		
Purchase of commodities	**60,298**	107,680
Total Cost of Sales	**226,390**	285,596

Note: Certain comparative figures of the cost of sales items have been reclassified.

* 1 tonne equivalent to 2,204.62 pounds

Cost of sales for the Group's mining operations was US$166.1 million for 2024 1H, representing a decrease of 7% as compared to US$177.9 million for 2023 1H. The decrease was mainly attributable to the drop in the processing costs by 24% as the temporary cessation of the production of cobalt hydroxide and the decline in the production volume of the copper cathode in Ruashi Mine, both resulted in less power and reagent consumed in the processing cycle during 2024 1H. In addition, the absence of the impairment loss in 2024 1H, compared with that of approximately US$10 million recognised in 2023 1H, also led to the decrease in the cost of sales of mining operations.

Cost of trading of mineral and metal products of US$60.3 million (2023 1H: US$107.7 million) represented the cost of commodities purchased by our trading subsidiaries in 2024 1H. The decrease in cost of sales was in line with the decrease in the trading segment's revenue.

Royalty Payment

Royalty payment increased from US$13.1 million in 2023 1H to US$13.6 million in 2024 1H which was mainly due to the increase in sales volume of cobalt offset by decrease in sales volume of copper in 2024 1H.

Gross Profit

Gross profit of the Group's operations has increased by 52% from US$28.4 million in 2023 1H to US$43.0 million in 2024 1H. The increase of gross profit was mainly due to the increase in copper revenue, decrease in production cost and the absence of any impairment loss on inventory for cobalt recognised in 2024 1H.

Net Finance Costs

Finance costs increased by 67% from US$4.5 million for 2023 1H to US$7.6 million for 2024 1H, which was due to the 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 72% from US$11.0 million for 2023 1H to US$18.9 million for 2024 1H due to the increase in bank borrowings and loan from intermediate holding company, together with the increase in market interest rates since 2023. The principal of Musonoi Project loans, bank loans and loan from intermediate holding company increased by a total of US$93.4 million (2023 1H: increased by US$126 million), which was partially offset by the gradual repayment of bank loans using cashflow from Kinsenda Mine, leading to a net increase in principal outstanding for 2024 1H.

For the six months ended 30 June

	2024	2023
	US$'000	*US$'000*
Finance income	**2,001**	1,634
Finance costs		
– Interest expenses	**(18,906)**	(11,025)
– Less: Amount capitalised in cost of qualifying assets	**11,338**	6,490
	(7,568)	(4,535)
Net Finance Costs	**(5,567)**	(2,901)

Other Income, Other Gains and Losses

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

For the six months ended 30 June

	2024	2023
	US$'000	*US$'000*
Royalty income under finance lease agreement	**948**	1,070
Exchange losses, net	**(1,710)**	(16,269)
Others	**339**	260
	(423)	(14,939)

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$16.8 million exchange losses for those assets denominated in CDF, mainly on their respective value added tax recoverable. The reduction of the net exchange loss in 2024 1H was due to the relatively stable exchange rate of CDF against US$ in 2024 1H compared to the significant depreciation of CDF against US$ seen in 2023 1H.

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 1,494 tonnes (2023 1H: 1,666 tonnes) of copper for 2024 1H and the Group has recorded a royalty income of US$0.9 million for 2024 1H (2023 1H: US$1.1 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 transportation expenses and custom clearing expenses. The breakdown of selling and distribution costs is as follows:

For the six months ended 30 June

	2024	2023
	US$'000	*US$'000*
Off-mine costs:		
Clearing costs of export	**11,346**	11,612
Transportation	**1,388**	329
Others	**1,825**	1,989
Total Selling and Distribution Costs	**14,559**	13,930

Selling and distribution costs increased by 5% from US$13.9 million for 2023 1H to US$14.6 million for 2024 1H. This was due to the increase in cobalt sales volume at Ruashi Mine coupled with the increase in transportation unit cost in 2024 1H.

Administrative Expenses

Administrative expenses for 2024 1H was US$3.2 million which is comparable to US$3.0 million for 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$6.5 million was derived in 2024 1H as compared to US$3.6 million in 2023 1H. The increase in income tax expense was mainly due to the US$19.3 million profit before tax in 2024 1H compared with US$6.4 million loss before tax in 2023 1H .

Profit (loss) for the Period

As a result of the above, the Group recorded a consolidated profit after income tax of US$12.8 million for 2024 1H as compared to that of consolidated loss after income tax of US$10.0 million for 2023 1H.

Profit (loss) Attributable to Shareholders

The Group recorded a profit attributable to the Shareholders amounted to US$9.2 million for 2024 1H, as compared to that of loss attributable of Shareholders of US$12.5 million for 2023 1H. The turnaround to profit attributable to Shareholders for the 2024 1H was a result of the increase in the copper prices, lower production costs, significant decrease in net foreign exchange loss and the absence of any impairment loss on inventory of cobalt recognized in 2024 1H.

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.

For the six months ended 30 June

	2024	2023
	US$'000	*US$'000*
Cash costs as reported in the income statement:		
Direct and indirect mining cost	**149,184**	166,992
Adjustment for change in inventory	**(18,282)**	(18,505)
Adjustment for cobalt (by-product) revenue	**(13,705)**	1,532
C1 cash costs	**117,197**	150,019
Copper sold *(tonnes)*	**26,222**	29,324
C1 cash cost per tonne of copper *(US$/tonne)*	**4,469**	5,116

The C1 cash cost decreased 13% from US$5,116 per tonne for 2023 1H to US$4,469 per tonne for 2024 1H. The decrease in C1 cash cost was due to the lower production costs and higher cobalt (by-product) revenue offset in 2024 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 copper production.

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:

For the six months ended 30 June

	2024	2023
	US$'000	*US$'000*
Profit (loss) for the period	**12,784**	(10,038)
Add: Net finance costs	**5,567**	2,901
Add: Income tax expense	**6,511**	3,629
Add: Depreciation of property, plant and equipment	**40,745**	34,664
Add: Depreciation of right-of-use assets	**374**	383
Add: Amortization of mineral rights	**9,006**	8,657
EBITDA	**74,987**	40,196

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 ended 30 June 2024 and 30 June 2023, no new Shares have been issued by the Company.

Capital Structure

The capital of the Company comprises ordinary shares and perpetual subordinated convertible securities. There was no movement during 20241H, for details please refer to notes 13 and 14 on page12 of this announcement.

Liquidity and Financial Resources

As at 30 June 2024, the Group had bank balances and cash (including bank deposits) of US$107 million as compared to US$85.0 million as at 31 December 2023.

As at 30 June 2024, the Group had total bank borrowings and overdrafts of US$336.0 million (31 December 2023: US$278.5 million) in which the bank borrowings and overdrafts of US$99.3 million (31 December 2023: US$69.5 million) are due within one year, bank borrowings of US$187.0 million (31 December 2023: US$187.0 million) are due within two to five years and bank borrowings of US$49.7 million are due over five years (31 December 2023: 22.0 million).

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 2024, all the bank loans associated with the interest rate swap agreements were fully settled. As at 31 December 2023, bank loans with principal amount of US$7.0 million carried effective fixed interest rate for the remaining loan term of 3.9% per annum expiring in May 2024.

As at 30 June 2024, the Group had loans from related companies of US$216.5 million (31 December 2023: US$178.8 million), of which US$1.9 million (31 December 2023: US$1.3 million) are due within one year and US$214.6 million (31 December 2023: US$177.5 million) are due within two to five years.

The gearing ratio of the Group as at 30 June 2024 was 38.4% compared to 32.4% as at 31 December 2023. 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 ended 30 June 2024, 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 ended 30 June 2024, there was no material acquisition or disposal of subsidiaries, associates and joint ventures.

Significant Events

Musonoi Project Further Construction Contract (Deep Processing)

Ruashi SAS and Concrease DRC SA, a company incorporated in the DRC with limited liability and 49% owned indirectly by JCG, entered into a further construction contract (deep processing) on 3 May 2024 in relation to the construction and installation of hydrometallurgical system for processing 140 kt/a copper and cobalt sulfide concentrate and 300 kt/a oxide ore (dry weight) for Musonoi Project. For details, please refer to the Company's announcement dated 3 May 2024.

Significant Capital Expenditures

During six months ended 30 June 2024, the Group acquired property, plant and equipment amounting to US$76.3 million (2023 1H: US$94.2 million) and incurred expenditures on exploration and evaluation assets amounting to US$45,000 (2023 1H: US$182,000) for the Group's mining operations. During six months ended 30 June 2024, the Group recognized US$435,000 (2023 1H: Nil) of right-of-use assets. US$72.3 million (2023 1H: US$83.0 million) of the capital expenditure incurred in 2024 1H related to the construction cost of Musonoi Project.

Details of Charges on the Group's Assets

As at 30 June 2024, 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 2024, the Group did not have any significant contingent liabilities.

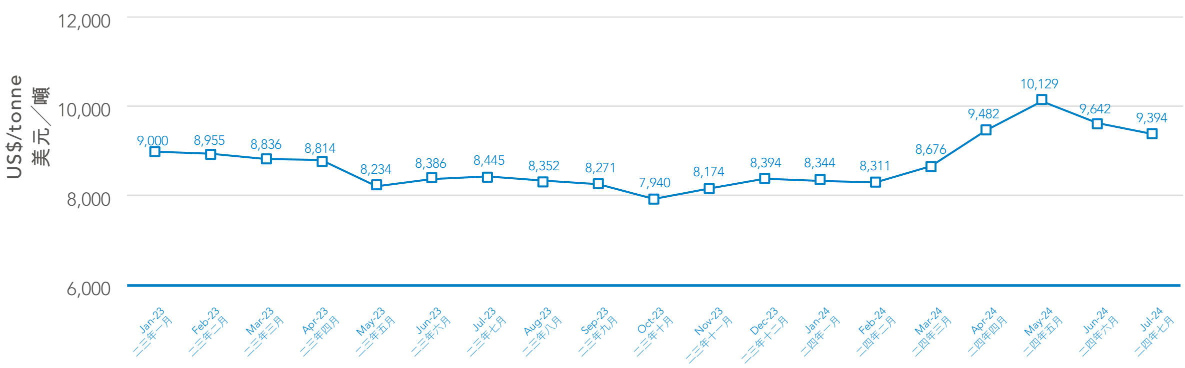
Foreign Exchange Risk Management

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

The average benchmark LME copper price for 2024 1H was US$9,097 per tonne, representing a 5% increase as compared to that for 2023 1H of US$8,704 per tonne. The LME copper price opened at US$8,430 per tonne and remained stable until mid-March. Copper price started its rising trend in the mid of March 2024 amid the shortage in mine supply, production curtailments from Chinese smelters, release of positive economic data in China and the prospect of strong demand growth in the renewable energy sector. The LME copper price hit a record high of US$10,857 per tonne in late May 2024, fueled by a short squeeze on the COMEX future exchange and a soft US dollar. In June 2024, the high copper inventories level and subdued physical demand in China have weighed on copper price as the focus of market participants reverted to fundamentals, and the delay in expected timing of US interest rate cuts cooled down the hike of LME copper price a month ago to close at 9,477 per tonne as at 30 June 2024.

LME COPPER PRICE (JANUARY 2023 TO JULY 2024)
倫金所銅價(二零二三年一月至二零二四年七月)

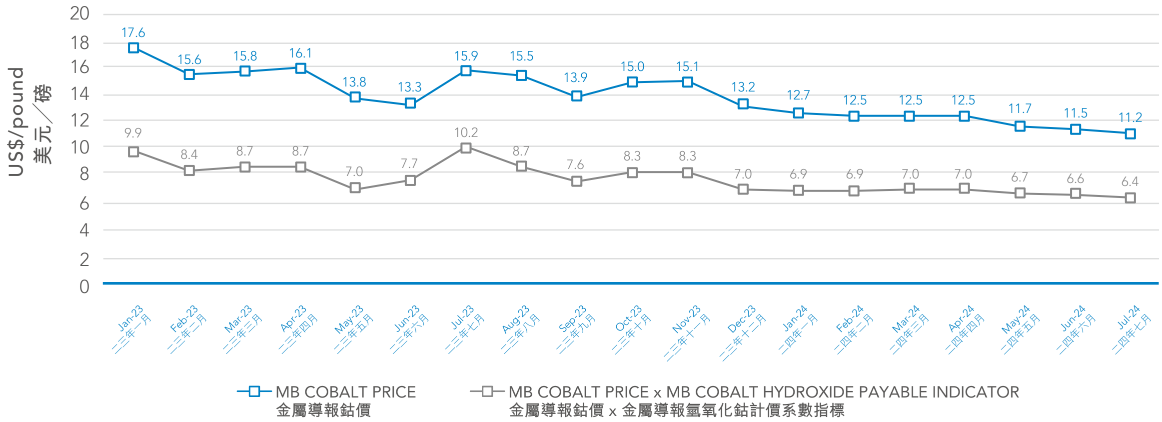


In short term, copper price is under pressure amid the increasing pessimism on the global, and particularly the Chinese, demand outlook, rising global inventories and geopolitical instabilities. However, the downside could be limited by positive sentiment related to US interest rate cuts, tight concentrate supply and the continuous longer-term hunger for the energy transition metal. We expect prices to rise in the late third and fourth quarters, when special bonds and long-term treasury bonds in China issued in the June quarter could flow into infrastructure and State Grid projects, boosting copper demand.

In long term, copper fundamental factors are 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 by accelerating the renewable energy transition from renewable power generation and distribution to energy storage and electric vehicles. 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.

In the case of cobalt, the average benchmark MB cobalt price continued to drop 21% from US$15.37 per pound (US$33,885 per tonne*) for 2023 1H to US$12.22 per pound (US$26,940 per tonne*) for 2024 1H. The benchmark MB cobalt price opened at US$12.80 per pound (US$28,219 per tonne*), gradually decreased to US$11.30 per pound (US$24,912 per tonne*) at 30 June 2024. Cobalt hydroxide coefficient commenced the year at 53–54% and showed modest improvement to 57–61% by the end of June with support from declining cobalt prices.

MB COBALT PRICE (JANUARY 2023 TO JULY 2024)
金屬導報鈷價（二零二三年一月至二零二四年七月）



The drop in cobalt price was due to growing supplies from the DRC and Indonesia and weak global demand. An unprecedented ramp up of a major mine in the DRC provided an additional supply growth in 2024 1H. In short run, the cobalt price recovery will likely be moderate as demand shows no significant uplifts amid an oversupplied market.

In long run, EV industry remained the largest demand segment of cobalt, EV exports from the PRC continue to rise, Chinese brands are aggressively expanding overseas, especially in Europe. Cobalt is expected to remain a vital raw material for the entire EV battery supply chain in the near future, and a modest continuation of growth is therefore expected. Together with the demand growth in aerospace and the recent PRC government stockpiling programs, the long-term demand of cobalt remains strong.

Copper and cobalt markets are easily affected by global economic 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.

* 1 tonne equivalent to 2,204.62 pounds

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 endeavor 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 city, the DRC. Construction work at Musonoi Project has progressed well in 2024 1H and will commission in early 2025.

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; strive to continuously reducing production costs, and thus achieving a better profitability.

EMPLOYEES

As at 30 June 2024, the Group had 1,676 (31 December 2023: 1,744) permanent workers and 3,948 (31 December 2023: 3,738) 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 share option of the Company.

DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2024 (six month ended 30 June 2023: Nil).

AUDIT COMMITTEE

The Company has established an audit committee ("**Audit Committee**") with written specific terms of reference in compliance with the Listing Rules/the Corporate Governance Code ("**CG Code**") as set out in Appendix C1 to the Listing Rules. As at the date of this announcement, the Audit Committee comprised four independent non-executive Directors, namely Mr. Poon Chiu Kwok (Chairman of Audit Committee), Mr. Yen Yuen Ho, Tony, Mr. Yu Chi Kit and Ms. Han Ruixia 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 Audit Committee is provided with sufficient resources to perform its duties, including support, as necessary, from the internal audit function of the Group, the external auditor, legal counsel, regulatory compliance and management, in examining all matters relating to the Group's adopted accounting principles and practices, and in reviewing all material financial, operational and compliance controls. The Group's unaudited interim financial statements and the interim report for the six months ended 30 June 2024 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 2024.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**"), as set out in Appendix C3 to the Listing Rules, as its own code of conduct regarding Directors' dealings in the Company's securities. Following 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 2024.

PURCHASE, SALES OR REDEMPTION OF LISTED SECURITIES

During the six months ended 30 June 2024, 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.

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 2024 will be dispatched to Shareholders and published on the Stock Exchange and the Company's websites respectively in due course.

GLOSSARY

"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
"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
"COMEX"	New York Commodity Exchange
"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
"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 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)
"kt/a"	kilotonne(s) per annum
"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

* *for identification purposes only*

"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 SAS), 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
"Musonoi Project"	a brownfield copper and cobalt project owned by Ruashi SAS 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 SAS"	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 SAS 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
"%"	percentage

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

Hong Kong, 23 August 2024

As at the date of this announcement, the Board comprises two executive directors, namely Mr. Gao Tianpeng and Mr. Cheng Yonghong; one non-executive director namely 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.