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Zijin Mining Group Co., Ltd.*

紫金礦業集團股份有限公司

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

(Stock code: 2899)

Announcement in relation to the Changes in Accounting Policies

I. Overview of the changes in accounting policies

On 30 December 2021, the Ministry of Finance of the People's Republic of China (the "Ministry of Finance") issued the Notice on Issuing "Interpretation No. 15 of the Accounting Standards for Business Enterprises" (Cai Kuai [2021] No. 35) (關於印發《企業會計準則解釋第 15 號》的通知 (財會〔2021〕35 號)) ("Interpretation No. 15"), which clarified the relevant presentations in relation to centralised fund management, while prescribed the accounting treatments for external sales of by-products produced before the fixed assets are in their intended useable condition or during the research and development process of an enterprise ("Trial Operation Sales"), and the determination of onerous contracts. The stipulations have come into effect on 1 January 2022.

Main content of the stipulations of Interpretation No. 15 are as follows:

(I) The relevant revenue and costs of Trial Operation Sales shall be accounted for in accordance with the provisions of Accounting Standard for Business Enterprises No. 14 - Revenue and Accounting Standard for Business Enterprises No. 1 - Inventories separately and recognised in the statement of profit or loss. The net income arising from the relevant revenue less the relevant costs of Trial Operation Sales shall not be deducted against the costs of fixed assets or research and development expenditure. The relevant products or by-products produced from trial operation shall be recognised as inventories if they meet the provisions of Accounting Standard for Business Enterprises No. 1 - Inventories, or as relevant assets if they meet the conditions for recognition of such assets in other relevant Accounting Standards for Business Enterprises, until they are sold externally.

(II) About the determination of onerous contracts. An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. Among which, the "unavoidable costs of meeting the obligations under the contract" shall reflect the least net costs of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfill it. Costs that relate to that contract of an

enterprise include both the incremental costs of fulfilling that contract and the allocation of other costs that relate directly to fulfilling that contract. Among which, incremental costs of fulfilling that contract include direct labour and materials; the allocation of other costs that relate directly to fulfilling the contract includes an allocation of the depreciation charge for an item of fixed assets used in fulfilling that contract among others.

II. Impact of the changes in accounting policies on Zijin Mining Group Co., Ltd.* (the “Company”)

According to the transitional provisions of Interpretation No. 15, for the Trial Operation Sales occurred between the beginning of the reporting period and the application date of Interpretation No. 15, an enterprise shall make retrospective adjustments in the earliest period presented in the financial statements in which Interpretation No. 15 is first applied in accordance with the provisions of Interpretation No. 15. If the retrospective adjustments are impractical, the enterprise shall comply with the provisions of Interpretation No. 15 from the beginning of the earliest reporting period for which retrospective adjustments can be made, and disclose the specific reasons why the retrospective adjustments cannot be made in the notes.

According to the transitional provisions of Interpretation No. 15, an enterprise shall apply Interpretation No. 15 for the contracts that all of their obligations have not yet been satisfied when Interpretation No. 15 is first applied, the cumulative effect shall be recognised as an adjustment to the opening balance of retained earnings and other related items in the financial statements for the year in which Interpretation No. 15 is first applied, and the comparative figures in the financial statements for the previous periods shall not be adjusted.

The abovementioned changes in accounting policies are reasonable changes made by the Company in accordance with the relevant stipulations promulgated by the Ministry of Finance, which are in line with the relevant laws and regulations and the Company’s actual situation. The changes will not have significant impacts on the Company’s financial position and operating results and will not prejudice the interests of the Company and its shareholders.

(III) Opinion of the independent directors and the supervisory committee

The independent directors of the Company are of the view that the changes in accounting policies made by the Company in accordance with the relevant stipulations promulgated by the Ministry of Finance are in line with the provisions of the Accounting Standards for Business Enterprises promulgated by the state and the Company’s actual situation. The decision-making process complies with the stipulations of the relevant laws, regulations and the articles of association of the Company. The changes can reflect the Company’s financial position and operating results objectively and fairly. There is no prejudice to the interests of the Company and all of its shareholders. Therefore, the independent directors of the Company concur with the changes in the Company’s accounting policies.

The supervisory committee of the Company is of the view that the changes in accounting policies made by the Company in accordance with the relevant stipulations promulgated by the Ministry of Finance are in line with the provisions of the Accounting Standards for Business Enterprises promulgated by the state and the actual situation of the Company. The decision-making process complies with the stipulations of the relevant laws, regulations and the articles of association of the Company. There is no prejudice to the interests of the Company and its shareholders. Therefore, the supervisory committee of the Company concurs with the changes in the Company's accounting policies.

This announcement is published in both Chinese and English. In the case of any discrepancies, the Chinese version shall prevail.

Investors and shareholders are advised by the board of directors to exercise caution when dealing in the securities of the Company.

As at the date of this announcement, the Board of Directors of the Company comprises Messrs. Chen Jinghe (Chairman), Lan Fusheng, Zou Laichang, Lin Hongfu, Ms. Lin Hongying and Mister Xie Xionghui as executive directors, Mister Li Jian as non-executive director, and Messrs. Mao Jingwen, Li Changqing, He Fulong, Suen Man Tak and Bo Shao Chuan as independent non-executive directors.

By Order of the Board of Directors
Zijin Mining Group Co., Ltd.*
Chen Jinghe
Chairman

11 July 2022, Fujian, the PRC

**The Company's English name is for identification purpose only*