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赤峰吉隆黄金矿业股份有限公司

# 2023年半年度报告

Chifeng Jilong Gold Mining Co.,Ltd.  
Interim Report 2023





# 企业文化

## 核心价值观

让更多的人因赤峰黄金的发展而受益  
To benefit more people through the development of Chifeng Gold

## 愿景

成为全球欢迎的主要黄金生产商  
To be a prominent gold producer well recognized around the world

## 经营理念

安全与可持续性,我们坚持安全第一,致力于企业的可持续发展。  
Safety and Sustainability.We prioritize safety and are committed to sustainable development of the company.

奋斗和坚持,我们用持续的努力工作创造更美好的生活。  
Striving and Persistence. We work with unwavering dedication to create a better life.

合作与担当,有人负责我协助,没人负责我负责。  
Collaboration and Accountability. If someone is in charge, I will assist; if no one is in charge, I will take charge.

透明与诚实,我们知晓彼此的工作,言出必行。  
Transparency and Honesty.We are aware of each other's work and follow through on our words.

学习与成长,我们鼓励学习和持续进步,与企业共生共长。  
Learning and Growth.We encourage learning and continuous improvement, growing together with the company.

尊重与沟通,我们彼此尊重和信任,通过密切的沟通增进了解。  
Respect and Communication.We respect and trust each other, fostering understanding through close communication.

## Important Reminder

- 1.The Company's board of directors, board of supervisors, directors, supervisors, and senior managers guarantee the authenticity, accuracy, and completeness of the content of the semi-annual report, and there are no false records, misleading statements, or major omissions, and they assume individual and joint legal responsibilities.**
- 2.All directors of the Company attended the board meeting.**
- 3.This semi-annual report has not been audited.**
- 4.Wang Jianhua, the person in charge of the Company, Wong Hok Bun Mario, the person in charge of accounting work, and Du Hui, the person in charge of the accounting organization (accounting work in charge), declare that they guarantee the authenticity, accuracy and completeness of the financial report in the semi-annual report.**
- 5.Profit distribution plan for the reporting period approved by the board of directors or plan for converting public reserve funds into share capital**

The board of directors did not review the 2023 semi-annual profit distribution plan or the plan for converting public reserve funds into share capital.

### **6.Disclaimer of Forward-Looking Statements**

Applicable non-applicable

Forward-looking descriptions such as future plans and development strategies involved in this report do not constitute the Company's substantive commitment to investors. Investors are reminded to pay attention to investment risks.

### **7.Whether there is any non-operational occupation of funds by controlling shareholders and other related parties**

no

### **8.Is there any external guarantee provided in violation of the prescribed decision-making procedures?**

no

### **9.Whether more than half of the directors cannot guarantee the authenticity, accuracy and completeness of the semi-annual report disclosed by the Company?**

no

### **10.Major Risk Warning**

The Company has described in detail the possible risks it may face in its operations in this report. Investors are advised to refer to the contents of "V. (1) Potential risks" in Section III "Management Discussion and Analysis".

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<b>Reference file directory</b>	1. Financial statements with the signatures and seals of the person in charge of the Company, the person in charge of accounting work, and the person in charge of the accounting department (accounting work in charge).
	2. The originals of all the Company's documents and announcements publicly disclosed during the reporting period.

## Section I Interpretation

In this report, unless the context otherwise requires, the following words have the following meanings:

Interpretation of common words		
China Securities Regulatory Commission (CSRC)	refers to	China Securities Regulatory Commission
Shanghai Stock Exchange (SCE)	refers to	Shanghai Stock Exchange
CSDCC Shanghai Branch	refers to	China Securities Depository and Clearing Corporation Limited Shanghai Branch
Company/this Company/Parent Company/Listed Company/Chifeng Gold	refers to	Chifeng Jilong Gold Mining Co., Ltd.
Jilong Mining	refers to	Chifeng Jilong Mining Co., Ltd., a wholly-owned subsidiary of the Company
Huatai Mining	refers to	Chifeng Huatai Mining Co., Ltd., a wholly-owned subsidiary of Jilong Mining
Wulong Mining	refers to	Liaoning Wulong Gold Mining Co., Ltd., a wholly-owned subsidiary of Jilong Mining
Tongxing mineral processing	refers to	Dandong Tongxing Mineral Processing Co., Ltd., a wholly-owned subsidiary of FDG
Hanfeng Mining	refers to	Jilin Hanfeng Mining Technology Co., Ltd., a wholly-owned subsidiary of the Company
CHIJIN Laos/Chijin Laos	refers to	CHIJIN Laos Holdings Limited/Chijin Laos Holdings Limited, formerly MMG Laos Holdings Limited, a wholly-owned subsidiary of the Company, registered in the Cayman Islands
LXML	refers to	Lane Xang Minerals Limited, LXML operates the Sepon gold-copper mine in Laos, a holding subsidiary of CHIJIN Laos, holding 90% of the shares
ChijinHK/Chijin Hong Kong	refers to	Chijin International(HK) Limited, a wholly-owned subsidiary of the Company, registered in Hong Kong, China



Golden Star Resources	refers to	Golden Star Resources Limited, a holding subsidiary of Chijin Hong Kong, holds 62% of the shares and is registered in Canada
Golden Star Wassa	refers to	Golden Star (Wassa) Limited, a wholly-owned subsidiary of Golden Star Resources, holds 90% of the shares, registered in Ghana, and operates the Wassa Gold Mine
Guangyuan Technology	refers to	Anhui Guangyuan Technology Development Co., Ltd., the Company's holding subsidiary, holds 55% of the shares
Huanchuang New Materials	refers to	Hefei Huanchuang New Materials Co., Ltd., a wholly-owned subsidiary of Guangyuan Technology
Chijin Geological Survey	refers to	Chijin (Tianjin) Geological Survey Technology Co., Ltd., a holding subsidiary of the Company, holding 60% of the shares
Chijin Fengyu	refers to	Shanghai Chijin Fengyu Industrial Co., Ltd., a wholly-owned subsidiary of the Company
Xinhenghe Mining	refers to	Kunming Xinhenghe Mining Co., Ltd., the Company's holding subsidiary, holding 51% of the shares
Jintai Mining	refers to	Eryuan Jintai Mining Development Co., Ltd., a subsidiary of Xinhenghe Mining, holding 90% of the shares
Chijin Xia Tungsten	refers to	Shanghai Chijin Xia Tungsten Metal Resources Co., Ltd., a holding subsidiary of the Company, holding 51% of the shares
TIETTO MINERALS	refers to	TIETTO MINERALS LIMITED
Issuing shares to purchase assets in 2019	refers to	The Company issued shares to purchase 100% equity of Jilin Hanfeng Mining Technology Co., Ltd. and raised supporting funds
grade	refers to	The content ratio of useful elements or its compounds in ores. The greater the content, the higher the grade
Resources	refers to	The quantity, grade or quality of solid mineral resources that are expected to be economically exploitable after mineral resource exploration and general research are estimated based on geological information, geological knowledge and relevant technical requirements.

		Including inferred resources, indicated resources and measured resources.
reserves	refers to	The economically recoverable part of the measured resources and (or) the indicated resources that has gone through pre-feasibility studies, feasibility studies or equivalent technical and economic evaluations, fully considered possible ore loss and dilution, and is reasonably estimated by using conversion factors to meet the technical feasibility and economic rationality of mining, including probable reserves and proven reserves.
yuan, ten thousand yuan, one hundred million yuan	refers to	RMB yuan, RMB ten thousand yuan, RMB one hundred million yuan, the legal currency unit of China



## Section II Company Profile and Main Financial Indicators

### I、Company information

<b>Chinese name of the Company</b>	Chifeng Jilong Gold Mining Co., Ltd.
<b>Chinese abbreviation of the Company</b>	Chifeng Gold
<b>Company's foreign name</b>	Chifeng Jilong Gold Mining Co., Ltd.
<b>Abbreviation of the Company's foreign name</b>	CHIFENG GOLD
<b>The legal representative of the Company</b>	Wang Jianhua

### II、Contacts and Contact Methods

	<b>Board Secretary</b>	<b>Securities Affairs Representative</b>
<b>Name</b>	Dong Shubao	Dong Shubao
<b>contact address</b>	No. 7 Xiaojingjia, Wanfeng Road, Fengtai District, Beijing	No. 7 Xiaojingjia, Wanfeng Road, Fengtai District, Beijing
<b>Telephone</b>	010-53232310	010-53232310
<b>fax</b>	010-53232310	010-53232310
<b>email</b>	IR@cfgold.com	IR@cfgold.com

### III、Introduction to changes in basic conditions

<b>Company registered address</b>	Fumin Village, Sidaowanzi Town, Aohan Banner, Chifeng City, Inner Mongolia Autonomous Region
<b>Historical change of Company registered address</b>	No change during the reporting period
<b>Company office address</b>	No. 7 Xiaojingjia, Wanfeng Road, Fengtai District, Beijing
<b>The zip code of the Company's office address</b>	100161
<b>Company website</b>	www.cfgold.com
<b>email</b>	IR@cfgold.com

<b>Query index of changes during the reporting period</b>	"Announcement on Changing Investor Consultation Contact Information" disclosed on February 28, 2023 (Announcement No.: 2023-016)
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#### IV、Brief introduction to information disclosure and change of storage location

The name of the newspaper selected by the Company for information disclosure	"China Securities Journal" www.cs.com.cn "Shanghai Securities News" www.cnstock.com "Securities Daily" www.zqrb.cn "Securities Times" www.stcn.com
Address of the website where the semi-annual report is published	<a href="http://www.sse.com.cn">www.sse.com.cn</a>
The place where the Company's semi-annual report is stored	Office of the Company's board of directors

#### V、Company stock profile

stock type	stock exchange	stock abbreviation	stock code	Stock abbreviation before change
A shares	Shanghai Stock Exchange	Chifeng Gold	600988	ST Baolong

#### VI、The main accounting data and financial indicators of the Company

##### (1) main accounting data

Unit: Yuan Currency: RMB

main accounting data	This reporting period (January-June)	Same period last year	Increase/decrease in the reporting period compared with the same period of the previous year (%)

operating income	3,371,705,496.12	3,046,336,657.98	10.68
Net profit attributable to shareholders of listed company	311,963,272.12	410,894,947.84	-24.08
Net profit attributable to shareholders of listed company after deduction of non-recurring gains and losses	371,986,167.32	410,514,014.48	-9.39
Net cash flow from operating activities	872,561,816.44	89,984,876.73	869.68
	<b>At the end of the reporting period</b>	<b>Last year end</b>	<b>Change at the end of the reporting period compared to the end of the previous year (%)</b>
Net assets attributable to shareholders of listed company	5,631,792,257.09	5,187,569,558.63	8.56
Total assets	18,631,445,117.79	17,544,294,456.09	6.20

## (2) Main Financial Indicators

Main Financial Indicators	This reporting period (January-June)	Same period last year	Increase or decrease in the reporting period compared with the same period of the previous year (%)
Basic earnings per share (yuan/share)	0.19	0.25	-24.00
Diluted earnings per share (yuan/share)	0.19	0.25	-24.00
Basic earnings per share after deducting non-recurring gains and losses (yuan/share)	0.23	0.25	-8.00
Weighted average ROE (%)	5.84	8.32	decrease by 2.48 percentage points
Weighted average return on equity after deducting non-recurring gains and losses (%)	6.96	8.31	Decrease by 1.35 percentage points

Explanation of the Company's main accounting data and financial indicators

Applicable  Non-applicable

## VII、Differences in accounting data under domestic and foreign accounting standards

Applicable  non-applicable

## VIII、Extraordinary profit and loss items and amounts

Applicable  Non-applicable

Unit: Yuan Currency: RMB		
Non-recurring gains and losses items	the amount	Notes (if applicable)
Gains and losses on disposal of non-current assets	-2,395,902.94	Disposal of fixed assets
Government subsidies included in the current profit and loss, except for government subsidies that are closely related to the Company's normal business operations, comply with national policies and regulations, and are continuously enjoyed in accordance with certain standards or quantities	1,048,719.89	Received personal income tax fee refund and government subsidies
In addition to the effective hedging business related to the Company's normal business operations, gains and losses from changes in fair value arising from holding transactional financial assets, derivative financial assets, transactional financial liabilities, and derivative financial liabilities, as well as disposal of transactional financial assets and derivative financial assets, transactional financial liabilities, and derivative financial liabilities Investment income from other debt investments	-53,580,809.06	Changes in the fair value of gold leasing and investment gains and losses from participation in private placement to hold shares in overseas mining listed companies, including MTC, WR1
Other non-operating income and expenses other than those listed above	-1,585,518.09	
Less: Income Tax Impact Amount	-511,586.76	
Minority shareholder equity impacted value	4,020,971.76	



(after tax)		
total	-60,022,895.20	

For the non-recurring profit and loss items defined by the Company in accordance with the "Explanatory Announcement on Information Disclosure of Companies Offering Securities to the Public No.1 - Non-recurring Gains and Losses", and the changeover of the non-recurring profit and loss items listed in "Explanatory Announcement on Information Disclosure of Companies Offering Securities to the Public No.1 - Non-recurring Gains and Losses " into recurring profit and loss items, reasons shall be provided.

Applicable  Non-applicable

## Section III Management Discussion and Analysis

### I、Description of the Company's industry and main business during the reporting period

#### (1) The main business of the company during the reporting period

The Company's main business is gold and non-ferrous metal mining and processing, which is mainly carried out through its subsidiaries. Domestic subsidiaries Jilong Mining, Huatai Mining, Wulong Mining and Jintai Mining are engaged in gold mining and beneficiation; Hanfeng Mining, a wholly-owned subsidiary is engaged in zinc, lead, copper and molybdenum mining and beneficiation; LXML, a holding subsidiary located in Laos, mainly is engaged in gold and copper mining and beneficiation business; Golden Star Wassa, a holding subsidiary located in Ghana, is mainly engaged in gold mining and beneficiation business. In addition, Guangyuan Technology, a subsidiary of the Company, belongs to the comprehensive recycling industry of resources and is engaged in the processing of waste electrical and electronic products.

During the reporting period, the main products of the Company's mining subsidiaries were precious metals such as gold and electrolytic copper, and non-ferrous metals. The downstream users of gold include gold production enterprises (production of investment gold bars and standard gold ingots), jewelry production enterprises, and other industrial gold enterprises, etc., and the end uses include the central bank (official reserves), investment, jewelry, industry, etc. Copper is widely used in many industries such as infrastructure, construction industry, and equipment manufacturing industry, such as manufacturing communication cables, wires and cables, and electrical equipment, pipelines, mechanical equipment, and air-conditioning equipment.



## (2) Business model

The Company has independent gold and non-ferrous metal mines, and its affiliated mining subsidiaries are all mining enterprises integrating prospecting, mining, and mineral processing. Domestic mining enterprises Jilong Mining, Wulong Mining and Huatai Mining all use underground mining method. Jintai Mining is Open-pit mining (still under construction as of the end of the reporting period), the mining method of overseas mining enterprises is a combination of open-pit mining and underground mining.



1. The main products of the Company's domestic gold mining enterprises are alloy gold and gold concentrate. The main customers of gold products are members of the Shanghai Gold Exchange. The Company transfers gold products to customers through the trading system of the Shanghai Gold Exchange for sale. The settlement price is determined by deducting the processing fee and service charge from the market price. The payment shall be settled on the day of pricing or on the next day. Part of the payment can also be pre-settled.

The main products of Hanfeng Mining include zinc concentrate, lead concentrate (with silver), copper concentrate (with silver) and molybdenum concentrate. The pricing of Hanfeng Mining's external sales of concentrates is generally determined based on the market price of the metals contained in the concentrates, mainly based on the price of 1# zinc ingot and 1# lead spot price on Shanghai Nonferrous Metals Market, and the settlement price of copper spot contract on Shanghai Futures Exchange. According to the actual metal content in the concentrate product, comprehensively considering the transportation cost, assay cost, the settlement price is determined. product sales are mainly carried out through advance payment, and the product sales target is a long-term cooperative downstream large-scale smelting enterprise.



2. LXML, a holding subsidiary of the Company, currently operates the Sepon gold-copper mine in Laos. The mining method is open-pit mining, and an underground mining project has been launched. LXML has two independent gold and copper production lines with an annual ore processing capacity of over 3 million tons. The main products are gold and electrolytic copper. The gold products are alloy gold containing 30%-80% gold and 20%-70% silver. Through bidding, we select our customers around the world, mainly international large-scale gold refineries. You can choose to sell 95% of the gold based on the Company's assay results at the spot price or sell all at the spot price after the refining results are confirmed the next day, and the customer pays the sales proceeds on the day of sale or the next day. LXML Copper Cathode is Grade A quality of the London Metal Exchange, and its cooperative customers are international bulk commodity traders. The sales model is determined by both parties through negotiation in accordance with international trade rules.

3. The Company's holding subsidiary, Golden Star Wassa, currently operates the Wassa Gold Mine in Ghana. The mining method is a combination of underground mining and open-pit mining. The annual ore processing capacity of the concentrator is more than 2.7 million tons. The main product of Golden Star Wassa is high-quality gold with a content of more than 80%. The product is entrusted to a large-scale gold refinery determined through bidding for sale. The pricing benchmark is the spot gold fixing price of the London Bullion Market Association. The payment is generally settled within 3 working days after shipment.

4. Guangyuan Technology, a holding subsidiary, is a comprehensive environmental protection enterprise specializing in the disposal of industrial hazardous waste, dismantling of waste electrical and electronic products, comprehensive utilization of resources and recycling of power batteries with an annual capacity of dismantling 2.65 million units; in January 2022, approved by the Hefei Municipal Bureau of Ecology and Environment, the "Hazardous Waste Operation Permit" was obtained, and the business of Hefei Hazardous Waste Comprehensive Transfer and Treatment Center was launched, and Guangyuan Technology Small and Micro Enterprise Hazardous Waste Collection, Storage and Transfer Center has the operating qualifications for 13 major categories and 67 subcategories of hazardous waste in the "National List of Hazardous Wastes", and has the ability to collect and store 10,000 tons of hazardous waste per year.



The business process for dismantling waste electrical and electronic products of Guangyuan Technology is strictly implemented in accordance with the Ministry of Ecology and Environment and the Ministry of Industry and Information Technology's "Guidelines for Standardized Dismantling and Processing of Waste Electrical and Electronic Products and Production Management (2015 Edition)", mainly using manual dismantling combined with mechanical treatment, and the dismantles materials are processed through deep mechanical separation. Guangyuan Technology regards Hefei City as the main raw material procurement market, and deploys its business in more than 30 counties and cities around Hefei. It signs procurement contracts with large-scale local customers every month, and adopts market floating pricing in combination with factors such as market conditions and supplier transportation distances. The sales batches and sales time are determined according to the quantity of dismantled products and the market conditions. Quotation is sought through bidding. The goods are picked up by the customer on site, and the payment is delivered before shipment.

### (3) Industry development

In recent years, the gold industry in China has achieved leapfrog development, forming a complete industrial system such as geological exploration, mining, processing and smelting, deep processing, wholesale and retail, investment, and trading markets. The current gold industry has entered an important period of strategic opportunities for innovation-driven transformation and development. With the successive introduction of new laws and regulations in the fields of environmental protection and ecological governance, the prevention and control of air pollution, carbon peaking, and carbon neutrality have risen to the national strategic level. Accelerating the promotion of green development is the only way for gold companies to achieve high-quality development.



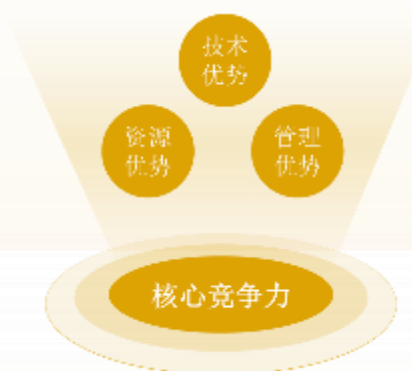
According to the latest statistics from the China Gold Association, in the first half of 2023, the domestic production of gold with raw materials from China was 178.598 tons, an increase of 3.911 tons compared with the same period in 2022, a year-on-year increase of 2.24%. Among them, 139.971 tons of gold from gold mines were completed. In addition, in the first half of 2023, 65.397 tons of gold were produced from imported raw materials, a year-on-year increase of 17.50%. If this part of the gold production from imported raw materials is included, a total of 243.996 tons of gold were produced nationwide, a year-on-year increase of 5.93%. Large-scale gold enterprises (groups) actively promoted mergers and acquisitions and resource mergers, further concentrated high-quality gold resources, and further optimized the layout of mine production. The domestic mines of large gold enterprises(groups) produce 70.861 tons of gold, accounting for 50.63% of the total gold production from mines in China.

The Company adheres to the "gold-based" development strategy and unswervingly develops the main business of gold mining. Through endogenous growth and external extension mergers and acquisitions, the amount of gold resources and the output of mine-produced gold have increased significantly year after year. At present, the Company is one of the key national gold enterprise groups. It has won the title of "Top Ten Gold Enterprises in China with Excellent Economic Benefits" awarded by the China Gold Association for many times.

## II、 Analysis of core competitiveness during the reporting period

Applicable  Non-applicable

At present, the Company's main business is gold and non-ferrous metal mining. The Company's core competitiveness is mainly reflected in resources, technology and management.



### (1) Resource advantage

As of the end of the reporting period, domestic gold mining subsidiaries owned a total of 9 mining rights and 14 prospecting rights; some of the Company's mines have high ore grades, which are rare high-grade rich ore deposits in China. Compared with similar gold mining companies, the unit cost of gold production is lower and the gross profit margin is higher. At the same time, the Company's gold mines are distributed in key metallogenic belts across the country, and have the potential to further obtain resources.

The Sepon gold and copper mine under the operation of LXML, the Company's holding subsidiary, is the largest non-ferrous metal mine in Laos. It has 1 mining right and 1 prospecting right, and enjoys the exclusive right for exploration and development of mineral resources within a total area of more than 1,000 square kilometers including the Sepon mining area with promising prospects for prospecting. The core asset of the Company's holding subsidiary, Golden Star Resources, is the Wassa Gold Mine in Ghana, with 3 mining rights and 2 prospecting rights. The potential for finding new mines in the regional area is huge. The mineral rights of the Wassa Gold Mine are on the eastern edge of the southern part of the Ashanti Gold Mine, with a strike length of about 70 kilometers. It is one of the large gold companies with the largest concessions in Ghana.

Hanfeng Mining, a wholly-owned subsidiary of the Company, is a zinc-lead-copper-molybdenum polymetallic mining enterprise. It has 2 mining rights and 1 exploration right. Its exploration right is located in Kaishantun, Tianbao Mountain, Jilin, a key exploration area for lead-zinc mine". The ore-forming geological conditions in this area are superior, and it is an important polymetallic mineralization concentration area.

## **(2) Technical advantages**

The Sepon Gold-Copper Mine in Laos and the Wassa Gold Mine in Ghana have been in stable operation for more than 15 years, and have internationally advanced mining production technology; the newly adopted "tailings decyanation filter press process" by Jilong Mining and Huatai Mining has changed the original tailings filter press process before discharging. The total cyanide content of the tailings and the content of other harmful elements are in line with the requirements of the "Technical Specifications for Pollution Control of Cyanide Slag Utilization and Disposal in the Gold Industry", which has explored a new way for the technical treatment of cyanide slag tailings in the same industry in China. Appraised by experts organized by the China Gold Association, the "Research and Application of Key Technologies for Cyanide Tailings Decyanation Treatment" project jointly completed by Jilong Mining and Changchun Gold Research Institute produces innovative results, remarkable environmental, economic and social benefits, reaching the International advanced level.

## **(3) Management advantage**

The Company's management team is composed of experts with rich experience in the mining industry and the capital market, covering business management, mining, mineral processing, geology, surveying, finance, law and other majors. Mr. Wang Jianhua, chairman of the board of directors, leads the management to change concepts, open up boundaries, improve the overall awareness level, and carry out profound internal reforms, leading to widened horizon and increased self-awareness of the management team and the formation of the philosophy of higher pursuit and symbiosis. At the same time, after several years of exploration and practice, the Company has gradually established a management model and an incentive assessment mechanism in line with the Company's actual situation, which has achieved great results in cost control, cost reduction and efficiency increase, and labor efficiency improvement.

Through the implementation of overseas mergers and acquisitions, the Company has not only obtained high-quality assets and resource reserves, but also obtained internationally advanced technology, mine management methods, management models and an international talent team, laying a foundation for the Company's sustainable development.

## **III、 Business discussion and analysis**

During the reporting period, the Company proactively responded to market changes, adapted to changes, and firmly established its development direction. Focusing on the annual business plan and

long-term development plan, it steadily increased production, reduced costs, and increased cash flow. The operating performance in the first half of 2023 improved significantly, laying a more solid foundation for continued growth in the second half of the year.

### (1) Significant improvement in operating performance laid a good foundation for the completion of the annual target

In the first half of 2023, the Company produced 6,883.16 kilograms of mineral gold, an increase of 6.94% over the same period of the previous year, and a decrease of 3.49% compared with the second half of last year; realized operating income of 3,371,705,500 yuan, an increase of 10.68% year-on-year, and an increase of 4.70% compared with the second half of last year; Shareholders' net profit was 311.9633 million yuan, a year-on-year decrease of 24.08%, and an increase of 675.63% compared with the second half of last year. The Company's operating performance in the first half of the year was in good condition, in line with the half-year plan, and laid a solid foundation for the completion of the annual target. With the gradual advancement and implementation of the production plan for the second half of the year, the Company expects to successfully complete the annual output, net profit, and operating activities. cash flow generated from production activities.

 生产矿产品

6,883.16 公斤

较上年同期增长 6.94% ↑

较去年下半年环比下降 3.49% ↓

 实现营业收入

337,170.55 万元

同比增长 10.68% ↑

环比增长 4.70% ↑

 实现归属于上市公司股东的净利润

31,196.33 万元

同比下降 24.08% ↓

环比增长 675.63% ↑



## **(2) The smooth progress of key project construction ensures the continuous growth of production capacity**

The underground mining project of LXML's Discovery mining area has been gradually carrying out production mining and has entered into formal commercial operation in July, which is expected to replenish 300,000 tons of underground mined ore in FY2023, with an average grade of more than 4 grams per ton, and a recovery rate that is significantly better than that of Carlin-type ore. In terms of prospecting, LXML, in order to discover large ore bodies through a deeper and broader perspective, increase resource & reserves and ensure sustainable development of the mines, has initiated six major resource growth projects such as the Kahnong Underground Primary Copper Mine of Sepon Mine, the Far West Open Pit Oxide Gold Mine and the Underground Primary Gold Mine, etc. The exploration department is carrying out infill drilling, and it is expected to update the resource report by the end of the year, with the new projects progressively moving into the mining stage in 2024.

Golden Star Wassa is developing two new underground mining zones, 242 and B-Shoot South Extension, while stabilizing production at the main mining zone. Engineering contractors have been mobilized to site, and started development work on the 242 decline with development ore being extracted at the beginning of July; the establishment of an underground portal at the bottom of the B-Shoot South Extension pit started in June, and the development of the B-Shoot South decline started in the beginning of August, with a plan to start the first mining operation of the South Extension Zone during the year. Production from the first stope in the Southern Extension is planned to commence during the year. Backed by strong resources, Golden Star Wassa's creative solutions for underground mining will result in a significant increase in mining capacity through reasonable capital investment and capital development works, with sufficient time flexibility for production succession and capacity expansion.

The construction of the main plant of Jilong Mining's new 180,000 tons of gold ore mining capacity expansion project is expected to be completed in October 2023 with equipment installation completed at the same time, and in March 2024, trial production can be carried out. The underground technical overhaul project and prospecting project supporting the new ore processing capacity are advancing according to the plan, and in the first half of the year, the prospecting project has completed more than 12,000 meters of pitting and drilling in the mining right; and the drilling project has completed more than 7,000 meters in the prospecting right. Among them, two mineralized zones were found in the No.5 section of the prospecting right, with 6 ore bodies delineated, the length of the ore bodies was 100-700 meters and the width was 0.1-0.25 meters, and the preliminary estimation of the new gold resources was about 900 kilograms, and at present the surface drilling project is still under way, and it is expected that further prospecting results will be obtained by the end of the year.

Wulong Mining's 3,000 tpd mining capacity processing plant operated stably and the processing scale was gradually increased, and the average daily processing scale has been increased from the original 1,200 tpd to over 1,500 tpd in the first half of 2023. The underground technological improvement projects such as the blind shaft extension project, ventilation system improvement project and the secondary blind shaft

development project are gradually implemented in the No.4 sub-mine, and the processing scale will continue to be enhanced in the second half of the year, and the daily processing capacity of the ore is expected to be up to 1,800-2,000 tons from September onwards. In the first half of the year, Wulong Mining carried out more than 23,000 meters of underground drilling within its mining rights, and more than 13,000 meters of drilling works within its prospecting rights, with estimated new geological resources of about 800 kilograms.

Since the commencement of the Jintai Mining Xidengping Gold Mine Project, it has successively completed the administrative approval procedures for the project establishment, land, forest land, safety assessment, environmental assessment, water protection approvals. In early 2023, it determined the contractor for the construction of the mine infrastructure and mining, and formally commenced the construction of the project. The preliminary design of the first phase of the project has a mining scale of 140,000 tons/year, with open pit mining and heap leaching-adsorption beneficiation. As at the end of the reporting period, more than 80% of the overall project has been completed, and it is expected that the construction of the heap leach pad can be completed by the end of August, and the sprinkling and production can commence at the beginning of September.

During the reporting period, Hanfeng Mining actively pushed forward the technical improvement of production safety facilities, while the 1,000-meter shaft project of the Lishan lead-zinc mine area could complete the assembly of shaft facilities during the year, and upon completion, it will enter into the next stage of the capital development to mine the deep resources, and it is expected that production can start in June 2024. In addition, Hanfeng Mining is in the process of making designs for the deep area of the Dongfeng Molybdenum Mine, aiming at restarting and expanding the production scale of the molybdenum mine.

### **(3) All-round cost reduction effect appears to support unit cost to continue to decline**

LXML carried out management upgrades by streamlining departments and personnel, adjusting welfare standards, and promoting energy conservation and consumption reduction, and carried out technological innovations in aspects such as pit wall angle, recovery rate of processing plants, unit consumption of raw materials, and equipment utilization rate. Centralized procurement and the promotion of transfer pricing have reformed the supply chain, and the cost reduction effect of gold production has been obvious. In the first half of the year, the all-in-sustaining unit cost (AISC) of gold decreased by 10.15% compared with the same period of the previous year.

In order to achieve the cost reduction goal, Golden Star Wassa analyzed the detailed cost and consumption data of each department and formulated a corresponding cost reduction action plan. The responsibility was assigned to the heads of each department, and more than 50 cost reduction measures were determined, focusing on areas like energy, chemicals and agents, explosives, external services, labor costs, etc. At the same time, with the acceleration of the Golden Star Wassa underground mining project, the potential for stable ore grades, the potential for automation and mechanization to help reduce staff and the potential for cost reduction and efficiency all increase, and free cash flow improvement will gradually emerge. The all in sustaining unit cost in the first half of this achieved a year-on-year decrease of 3.54%.

Relying on resource advantages, domestic mines strengthen the management of "three rates" of resource development, further improve material procurement and sales management, control non-essential capital expenditures and non-productive expenditures at the current stage, and make full use of digital and intelligent management tools. The all-in-sustaining unit cost of domestic mines decreased by 16.31% compared with the same period of the previous year.

### **(4) Organizational structure and personnel adjustment to promote overall management and cognitive ability improvement**

At the beginning of 2023, the listed Company has completed organizational restructuring on the basis of a high degree of consistency in philosophy. All executives and backbones will focus on the long-term strategic layout, follow the rhythm and pace of the Company's development, take the initiative to step out of their personal comfort zone, and strive to become entrepreneurs.

During the reporting period, in the face of the pressure that LXML's high unit gold cost must be reduced as well as the serious consequences of Golden Star Wassa's operational management mistakes in the second half of 2022, the Company adjusted its management. The new management team unite as one, firmly implement the established plan, improve operational efficiency, actively make changes, and strive to reverse the unfavorable situation of high unit costs of overseas mines as soon as possible.

Problems such as the shortage of domestic mining professionals also hinder the realization of the goals of reducing costs and improving efficiency. In order to build large-scale key high-tech mines, domestic mines must strengthen adjustments and equip themselves with teams with strong adaptability, integrity, professionalism, and fighting spirit; The extremely poor evaluation and tremendous pressure on the Company's senior management team in the capital market also forced the Company to achieve

improvement through adjustments as soon as possible. In the second half of the year, the Company will further deepen organizational reform and personnel adjustment and allocation, expand the competence circle of the management team, select talents for long-term development, introduce talents, and reduce redundant staff.

#### **(5) The commissioning of important investment projects is expected to bring new growth points for equity performance**

Chijin Hong Kong, a wholly-owned subsidiary of the Company, acquired a total of 140,855,864 common shares of TIETTO MINERALS, an Australian listed Company, through cash subscription, public bidding and secondary market purchases, becoming its biggest shareholder. TIETTO MINERALS holds 88% equity in Abuja (Abujar Gold Mine), its main assets located in Cote Divoire in West Africa. According to the announcement issued by TIETTO MINERALS, the Abuja Gold Mine was put into trial operation in January 2023, and has been officially put into commercial operation in July 2023. From January to June 2023, TIETTO MINERALS processed a total of 1.584 million tons of ore and produced 781 kilograms of gold. The processing capacity and output will be further increased to 370,000 tons of ore per month and 362 kilograms of gold per month in July 2023. TIETTO MINERALS expects to produce 3.26 tons to 3.3 tons of gold in the second half of 2023, and the all-in-sustaining cost is about 875-975 US dollars per ounce.

During the reporting period, the Company actively promoted the application of new rare earth resources projects in Laos through the joint venture company established with Xiamen Tungsten Industry Co., Ltd.. Project investigation, exploration and application for mining licenses for the existing cooperation projects are under way. As the local government is sorting out rare earth mining rights and revoking small-scale projects, the joint venture will make use of this opportunity to select good rare earth projects for screening and investigation at good pace in a bid to make Company's first rare earth development project obtain approval as soon as possible, start production and generate benefits on an early basis. At the same time, the application for the right to exploit rare earth resources in the Sepon mining area of LXML has also been submitted and is in the approval process.

#### **(6) New challenges are constantly emerging and enhanced resilience to achieve development through tackling challenges**

During the reporting period, the Golden Star Wassa mining area encountered heavy rain and floods, resulting in a shortage of mining supply and reduced gold production. The impact of the floods is expected to last until to the end of August. Golden Star Wassa took timely water management improvement measures, increased drainage capacity, and updated the production plan for September-December to ensure the completion of the annual production budget and achieve higher net profit. LXML and Wulong Mining also encountered heavy rainfall. The on-site team has prepared a flood response plan, improved water management measures, increased drainage capacity, and stored production materials to ensure the completion of annual production and operation goals.



In the process of internationalization of the Company, new challenges and problems are constantly emerging. In the first half of the year, the Company's management confronted the problems in its own operation and management, strengthened its confidence in development, relied on the advantages of the management mechanism, actively responded to external uncertain changes, strictly examined the lack of its own capabilities, and made rapid adjustments in management methods and organizational forms. In addition, the Company made full use of new management tools and methods, enhanced internal communication, information exchange, and teamwork, stimulated internal motivation of employees to improve efficiency, enhanced management capabilities in overcoming difficulties through continuously tackling challenges, and took targeted measures to solve problems, producing remarkable results and demonstrating strong development resilience.

Significant changes in the Company's operating conditions during the reporting period, and events that have had a significant impact on the Company's operating conditions during the reporting period and are expected to have significant impacts in the future

Applicable  Non-applicable

## IV、Main operating conditions during the reporting period

### (1) Main business analysis

#### 1. Main business by industry, by product and by region

Unit: Yuan Currency: RMB

##### Main business by sector

sector	operating income	Operating cost	Gross profit margin (%)	Year-on-year increase or decrease in operating income (%)	Year-on-year increase or decrease in operating costs (%)	Year-on-year increase or decrease in gross profit margin (%)
mining industry	3,227,114,689.41	2,176,404,369.09	32.56	11.72	32.00	-10.36
Comprehensive recycling of resources	141,826,235.71	120,949,068.81	14.72	-9.09	1.61	-8.98

##### Main business by product

product	operating income	Operating cost	Gross profit margin (%)	Year-on-year increase or decrease in operating income (%)	Year-on-year increase or decrease in operating costs (%)	Year-on-year increase or decrease in gross profit margin (%)
gold	3,049,791,797.20	2,026,180,367.41	33.56	20.93	37.37	-7.96
Electrolytic copper	165,340,230.17	146,848,012.06	11.18	-34.31	21.11	-40.65
Zinc concentrate	2,904,132.36	3,375,989.62	-16.25	-96.53	-92.21	-64.45
silver	9,078,529.68			206.08		
Others (electronic product dismantling )	141,826,235.71	120,949,068.81	14.72	-9.09	1.61	-8.98

**Main business by region**

region	operating income	Operating cost	Gross profit margin (%)	Year-on-year increase or decrease in operating income (%)	Year-on-year increase or decrease in operating costs (%)	Year-on-year increase or decrease in gross profit margin (%)
Domestic area	749,256,436.49	336,753,946.55	55.05	6.71	0.09	2.97
Overseas areas	2,619,684,488.63	1,960,599,491.35	25.16	11.84	36.98	-13.74

## 2. Analysis of changes in relevant entries of financial statements

### (1) Production and sales volume

main products	unit	Production	sales volume	Increase or decrease of production volume compared with the same period of last year (%)	Increase or decrease of sales volume compared with the same period of last year (%)
Mineral gold	gram, yuan/gram	6,883,161.59	7,222,307.98	6.94	10.64
Electrolytic copper	ton, yuan/ton	3,011.27	2,740.54	-18.43	-28.45
copper concentrate	ton, yuan/ton	52.91		-94.33	
Lead concentrate	ton, yuan/ton	161.30		-87.47	
Zinc concentrate	ton, yuan/ton	526.13	547.27	-94.97	-94.77

### (2) Unit cost of mineral gold

Unit: RMB Yuan/gram

Item	First half of 2023			First half of 2022		
	cost of sales	cash cost	All in sustaining cost	cost of sales	cash cost	All in sustaining cost
Mineral gold	280.54	214.99	267.01	225.95	214.84	280.73

Note: ① Cost of sales refers to the main business cost in the income statement; cash cost refers to the cash paid cost in the main business cost and period expenses; all-in sustaining cost refers to the cash paid cost in the main business cost and period expenses plus sustaining capital expenditures.

② When converting the cost data of overseas subsidiaries, the US dollar to RMB exchange rate 1 US dollar to RMB 6.9291, an average exchange rate in the first half of 2023, while the exchange rate was 1 US dollar to RMB 6.4835 in the same period of the previous year. The unit cost of mineral gold measured in US dollars in overseas mines is as follows:

Unit: USD/oz

Overseas	First half of 2023	First half of 2022
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mines	cost of sales	cash cost	all in sustaining cost	cost of sales	cash cost	all in sustaining cost
LXML	1,535.89	1,033.48	1,331.78	1,221.75	1,095.74	1,482.15
Golden Star Wassa	1,228.36	982.69	1,164.59	1,062.81	951.41	1,207.31

The unit cost of mineral gold in domestic mines measured in RMB is as follows:

Unit: RMB Yuan/gram

item	First half of 2023			First half of 2022		
	cost of sales	cash cost	all in sustaining cost	cost of sales	cash cost	all in sustaining cost
Domestic mines	153.71	172.49	211.51	159.18	206.39	252.72

(3) Changes in the unit cost of mineral gold (excluding the impact of exchange rates)

Item	Increase or decrease of cost of sales compared with the same period of last year (%)	Increase or decrease of cash cost compared with the same period of last year (%)	Increase or decrease in all in sustaining cost compared with the same period of last year (%)	Increase or decrease of cost of sales compared with the previous year (%)	Increase or decrease of cash cost compared with the previous year (%)	increase or decrease of all in sustaining cost compared with the previous year (%)
Domestic mines	-3.44	-16.43	-16.31	-16.61	-21.26	-36.59
LXML	25.71	-5.68	-10.15	1.17	-4.38	-9.18
Golden Star Wassa	15.58	3.29	-3.54	5.77	9.93	-17.69

3. Analysis table of changes in relevant entries of financial statements

Unit: Yuan Currency: RMB

Entries	Current period	The same period last year	Change ratio (%)
operating income	3,371,705,496.12	3,046,336,657.98	10.68

Operating cost	2,297,636,008.90	1,768,350,132.41	29.93
sales expense	3,591,901.57	3,486,734.38	3.02
Management costs	264,414,744.21	239,713,769.20	10.30
Financial expenses	81,442,343.03	39,391,163.53	106.75
R & D costs	11,392,225.89	10,022,497.15	13.67
Net cash flow from operating activities	872,561,816.44	89,984,876.73	869.68
Net cash flows from investing activities	-898,079,200.66	-3,331,020,948.92	
Net cash flow from financing activities	51,439,432.03	2,669,770,000.00	-98.07

The increase in operating income compared with the same period of the previous year was mainly due to the increase in gold production and the increase in sales prices;

The increase in operating costs compared with the same period of the previous year was mainly due to the increase in depreciation and amortization and the increase in material costs due to the increase in production scale;

The increase in financial expenses compared with the same period of the previous year was mainly due to the increase in interest-bearing liabilities and the rise in interest rates on US dollar borrowings;

R&D expenses increased compared with the same period of the previous year, mainly due to the increase in material costs and labor costs for R&D investment;

The increase in net cash flow from operating activities was mainly due to the increase in sales volume and sales price in the current period leading to the increase in sales proceeds received and the decrease in payment for purchases;

The outflow of net cash flow from investment activities is mainly caused by the purchase and construction of long-term assets such as fixed assets;

The decrease in net cash flow from financing activities was mainly due to the large cash inflows from financing such as M&A loans in the same period of the previous year.

#### 4. Detailed description of major changes in the Company's business type, profit composition or profit source in the current period

Applicable  Non-applicable

##### (2) Explanation on major changes in profits caused by non-main business

Applicable  Non-applicable

(3) Analysis of assets and liabilities

√ Applicable □ Non-applicable

1. Assets and Liabilities

unit: Yuan

Name of items	Ending balance	Ending balance/Total assets (%)	Ending Balance of last year	Ending balance of last year/Total assets (%)	The ratio of variance between the current ending balance and the ending balance of last year (%)	Remarks
Monetary funds	1,422,914,156.65	7.64	1,285,105,129.36	7.32	10.72	
Accounts receivable	456,715,302.96	2.45	368,874,179.78	2.10	23.81	Guangyuan Technology newly added subsidy funds , Golden Star Wassa made sales at the end of the period, and the payment has not yet been settled
stock	2,280,224,508.35	12.25	2,164,627,536.11	12.34	5.34	
Long-term equity investment	373,937,107.91	2.01	357,818,699.45	2.04	4.50	
fixed assets	4,958,459,194.73	26.64	5,184,905,189.13	29.55	-4.37	
Construction in progress	1,217,918,215.67	6.54	676,834,260.62	3.86	79.94	Increased investment in LXML's



						underground mining project and expansion of Golden Star Wassa
right-of-use asset	231,517,290.18	1.24	240,729,539.46	1.37	-3.83	
short-term loan	507,999,262.79	2.73	488,409,143.79	2.78	4.01	
contract liabilities	81,224,003.71	0.44	62,051,609.97	0.35	30.90	Mainly due to the increase in the advance payment of Wulong Mining
Long term loan	1,434,296,738.73	7.71	1,513,780,782.52	8.63	-5.25	
lease liability	224,724,881.89	1.21	230,805,049.49	1.32	-2.63	

## 2. Overseas assets

Applicable  Non-applicable

### (1) Asset scale

Including: overseas assets 1,420,588.92(unit: 10k Yuan, Currency : RMB), accounting for 76.25% of total assets.



### (2) Relevant explanations on the relatively high proportion of overseas assets

Applicable  Non-applicable

Unit: 10k Yuan Currency: RMB

Name of overseas assets	Cause of formation	operating mode	Operating income for the reporting period	Net profit for the reporting period
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LXML	mergers and acquisitions	Self-operating	154,965.03	15,651.30
Golden Star Resources	mergers and acquisitions	Self-operating	107,132.97	2,447.69

### 3. Major asset restrictions as of the end of the reporting period

Applicable  Non-applicable

For details, please refers to "Chapter X Financial Report" - "VII. Notes to Items in the Consolidated Financial Statements" - "59. Assets with Restricted Ownership or Right to Use" in this report.

## (4) Investment Analysis

### 1. Overall Analysis of Equity Investment

Applicable  Non-applicable

During the reporting period, the Company had no major external equity investment. Other equity investments are as follows:

(1) The Company signed the "Equity Transfer Agreement" with the counterparty and Xinhenghe Mining on December 30, 2022. The Company acquired a total of 51% equity of Xinhenghe Mining held by the counterparty by cash, and the transaction consideration was RMB 61.20 million yuan. In January 2023, Xinhenghe Mining completed the business registration procedures for the 51% equity.

(2) Chijin Hong Kong, a wholly-owned subsidiary of the Company, participated in the "solicitation for buyers of 25,190,076.00 common shares of TIETTO MINERALS LIMITED" project (project number: N0109QT220056) publicly displayed on the Inner Mongolia Property Rights Exchange Center, and obtained the "Transaction Confirmation Letter" on September 13, 2022. In January 2023, the Company completed the transfer registration procedures for the target shares of this transaction. The Company becomes its largest shareholder. According to the investment agreement, the Company dispatched a non-executive director to TIETTO MINERALS, which has a significant impact on the operation and management of TIETTO MINERALS.

#### (1) significant equity investment

Applicable  Non-applicable

#### (2) significant non-equity investment

Applicable  Non-applicable

Unit: 10k Yuan Currency: RMB

project name	Investment this year	Cumulative investment	Sources of funds	project progress	expected target
LXML Sepon Gold	10,627.38	145,039.49	Self-owned	partially	Annual processing

Mine Project			fund	completed	of 3 million tons of ore, recovery rate of 80%
Jilong Mining 180,000 tons/year mining and processing expansion project	1,406.96	2,228.76	Self-owned fund	under construction	Annual mining and processing of 300,000 tons of ore
Golden Star Wassau Gold Mine Expansion Project	11,081.36	53,026.53	Self-owned fund	under construction	Annual mining and processing of 3.3 million tons of ore

(3) Financial assets measured at fair value

√ Applicable □ Non-applicable

Unit: Yuan Currency: RMB

Asset Class	Opening balance	Profit and loss from changes in fair value in the current period	Cumulative fair value changes included in equity	Impairment provision for this period	Current purchase amount	Sale/redemption amount in current period	Investment profit or loss for the current period	other changes	Ending balance
stock	48,130,631.32	-21,133,865.96				14,671,736.60	5,104,911.51	-233,203.87	17,196,736.40
future s	584,200.00	-584,200.00							
total	48,714,831.32	-21,718,065.96				14,671,736.60	5,104,911.51	-233,203.87	17,196,736.40

Securities Investment

✓ Applicable  Non-applicable

Unit: Yuan Currency: RMB

Type of Securities	Securities code	Securities Abbreviation	initial investment cost	Sources of funds	Beginning book value	Profit and loss from changes in fair value in the current period	Cumulative fair value changes included in equity	Current purchase amount	Sales amount in this period	Impact of exchange rate changes	Investment profit and loss for the current period	Ending book value	Accounting entries
stock	MTC.AX	MTC.AX	3,000,000.00	Self-owned fund	38,876,474.16	-21,133,865.96				-545,871.80		17,196,736.40	trading financial assets
stock	WR1.AX	WR1.AX			9,254,157.16				14,671,736.60	312,667.93	5,104,911.51		trading financial assets
total	/	/	3,000,000.00	/	48,130,631.32	-21,133,865.96			14,671,736.60	-233,203.87	5,104,911.51	17,196,736.40	/

Note: The initial investment cost is AUD 3 million.

Description of securities investment

Applicable  Non-applicable

Investment status of private equity funds

Applicable  Non-applicable

Derivatives Investment

✓ Applicable  Non-applicable

The Company held the 16th meeting of the eighth board of directors on March 30, 2023, and deliberated and approved the "Proposal on the Authorization of Hedging Business in 2023", agreeing that the Company and its subsidiaries carry out hedging business related to precious metals and non-ferrous metals, foreign exchange rates and the main business of the Company. During the reporting period, the Company used forward futures contracts to invest in derivatives within the scope of authorization by the board of directors.

(5) Major asset and equity sales

Applicable  Non-applicable

(6) Analysis of major holding companies and shareholding companies

Applicable  Non-applicable

Unit: 10k yuan Currency: RMB

Company Name	Main business	Main business qualification	registered capital	Total assets	Net assets	operating income	net profit
Jilong Mining	gold mining & processing	1 mining right, 6 prospecting rights	17,500	232,265.32	117,015.51	29,137.94	10,109.72
Huatai Mining	gold mining & processing	6 mining rights and 5 prospecting rights	2,000	31,347.83	5,395.63	660.05	-1,234.64
Wulong Mining	gold mining & processing	1 mining right, 2 prospecting rights	4,000	142,316.20	100,926.74	30,747.61	11,250.99
Hanfeng Mining	Non-ferrous metal mining & processing	2 mining rights and 1 prospecting right	42,920	52,607.47	47,377.53	293.43	-1,566.36
Xinhenghe Mining	gold mining & processing	1 mining right, 1 prospecting right	4,000	23,153	13,305		-12.66
LXML	Non-	1 mining	1,436,516.8	580,577.71	281,310.55	154,965.03	15,651.30

	ferrous metal mining & processing	right prospecting & right	1 30,000 Lao Kip				
Guangyuan Technology	Dismantling of waste electrical and electronic products	Qualification for waste electrical and electronic products	4,477.60	50,142.53	32,684.81	14,233.51	1,488.93
Golden Star Resources	gold mining & processing	3 mining rights, 2 prospecting rights	\$USD932,928,500	891,149.35	402,625.02	107,132.97	2,447.69
Chijin Xia Tungsten	Rare earth development		6,000.00	6,015.31	6,011.29		12.07

(7) Structured entities controlled by the Company

Applicable Non-applicable

V、Other Disclosures

(1) possible risks

Applicable Non-applicable



1. Commodity price fluctuation risk

The Company's main products, such as gold and electrolytic copper, are precious metals and bulk non-ferrous metal commodities. Company's earnings are closely related to commodity prices. Factors



affecting commodity price fluctuations include global supply and demand, forward transactions and other macro-political and economic factors (such as geopolitics, local wars, inflation, interest rates, exchange rates, forecasts of global economic conditions, etc.). Under the combined effects of these factors, the international commodity market supply and demand and prices will fluctuate greatly. Since the above factors are uncontrollable, their changes may adversely affect the Company's operations.



#### 应对策略

立足于成本管理，通过技术创新，节能降耗，降低矿石贫化率，提高金属回收率，提高员工及设备的效率，以降低单位成本；公司还将进一步完善管理机制，从整体上降低成本费用。

Response strategy: based on cost management, through technological innovation, energy saving and consumption reduction, lowering the ore depletion rate, increasing the metal recovery rate, and improving the efficiency of employees and equipment so as to reduce the unit cost; the company will also further improve the management mechanism to reduce the cost of expenses from the overall perspective.

With the continuous expansion of the Company's mining business, the Company's mine resource advantages and scale effects will gradually be reflected. Coupled with significant cost control effects, the Company will have the capacity to control future performance. At the same time, through research and analysis of commodity price trends, the Company uses financial instruments to carry out commodity hedging business, actively manages commodity price risks, avoids commodity price fluctuation risks, strives to sell products at expected prices, and reduces commodity price fluctuations' adverse effects.

## 2. Safety Production and Environmental Risks

The mining method of the Company's domestic mining subsidiaries is underground mining, and the mining methods of overseas mining subsidiaries are open-pit mining and underground mining. The mining process involves blasting, which has certain risks. The Company needs to use explosives in the mining process, the highly toxic chemical sodium cyanide in the mineral processing, and the corrosive chemical aqua regia in the smelting process. At the same time, the Company's mining involves many risks, including natural disasters, equipment failure and other emergencies, etc. These risks may cause the Company's mines to suffer unforeseen property losses and casualties.



#### 应对策略

公司始终贯彻“安全第一、预防为主”的方针，加强安全生产管理。公司设有专职的安全生产监督部门，制订了一系列安全生产管理制度及安全教育培训制度，并就爆破品、腐蚀性和剧毒化学品的采购、运输、保管和使用制定了一系列操作程序和安全规范指引，以保证公司财产和员工人身的安全。

During the mining and processing of mineral resources, the Company produces wastes that may affect the environment, such as waste rocks and waste residues. The mining of mineral resources will not

only produce dust and solid waste pollution, but may also lead to landform changes, vegetation destruction, water and soil erosion, etc., which in turn will affect the balance of the ecological environment. The occurrence of the above events may have an adverse impact on the Company's business prospects, financial condition and operating results.

Response strategy: The Company always implements the policy of "safety first, prevention foremost" and strengthens the management of production safety. The Company has set up a full-time production safety supervision department, formulated a series of production safety management systems and safety education and training systems, and formulated a series of operating procedures and safety norms and guidelines for the procurement, transportation, storage and use of explosives, corrosive and highly toxic chemicals, in order to ensure the safety of the Company's property and the personal safety of its employees.

The Company has established a complete set of environmental protection system that abides by the national environmental protection regulations and controls the discharge of pollutants; mining, mineral processing and smelting are carried out in accordance with the national normative standards and management requirements, the Company's decyanation and mineral processing technology meets the requirements of the "Technical Specifications for the Control of Cyanide Slag Pollution in the Gold Industry". We formulate and strictly implement the relevant rules and regulations for safe production in accordance with higher standards, ensuring the synchronization of development, treatment and restoration of the operating area and realizing the effective use of waste residues, comprehensive utilization of waste water. We invest a lot of money in the construction of environmental protection facilities, and establish a complete system for environmental protection management and supervision to avoid adverse effects on the Company due to environmental protection and safety issues.

### Country risk of overseas investment

The scale of the Company's overseas investment continues to increase, and the political, economic, and cultural development levels of overseas projects are quite different in different countries, and there are certain political and policy risks in different countries.

Response strategy: The Company will give full play to its own management advantages, carry



#### 应对策略

公司将充分发挥自身管理优势，发扬多元、包容、共生的开放文化，与项目所在国政府部门保持密切沟通，时刻关注项目所在国政治、经济形势变化，提高风险防范和应对能力；坚持“让更多的人因赤峰黄金的发展而受益”的核心价值观和共生共长理念，积极践行企业社会责任和社区贡献责任，成为全球欢迎的主要黄金生产商。

forward the open culture of diversity, inclusiveness and symbiosis, maintain close communication with the governmental departments of the countries where the projects are located, pay close attention to the changes in the political and economic situation of the countries where the projects are located, and improve the ability to prevent and cope with the risks; we will adhere to the core value of "benefiting more people

through the development of Chifeng Gold" and the concept of "symbiosis" and co-growth", and actively fulfill the responsibilities of CSR and community contribution in order to become a prominent gold producer well recognized around the world.

## (2) Other Disclosures

Applicable  Non-applicable

## Section IV Corporate Governance

### I、Introduction to the General Meeting of Shareholders

Session	Date	Inquiry index of the designated website where the resolution is published	Disclosure date of resolution publication	Meeting Decision
The First Extraordinary General Meeting of Shareholders in 2023	February 27, 2023	www.sse.com.cn	February 28, 2023	<ol style="list-style-type: none"> <li>"Proposal on &lt; Phase II Employee Stock Ownership Plan (Draft) of Chifeng Jilong Gold Mining Co., Ltd." and its summary";</li> <li>"Proposal on &lt;Administrative Measures for Phase II Employee Stock Ownership Plan of Chifeng Jilong Gold Mining Co., Ltd.";</li> <li>"Proposal on Proposing to the General Meeting of Shareholders to Authorize the Board of Directors to Handle Matters Related to the Company's Phase II Employee Stock Ownership Plan."</li> </ol>
2022 Annual General Meeting	April 20, 2023	www.sse.com.cn	April 21, 2023	<ol style="list-style-type: none"> <li>"2022 Annual Work Report of the Board of Directors";</li> <li>"2022 Annual Work Report of the Board of Supervisors";</li> <li>"2022 Annual Financial Final Account Report";</li> <li>"Financial Budget Plan for 2023";</li> <li>"Profit distribution plan for 2022";</li> <li>"2022 Annual Report" and its summary;</li> <li>"Proposal on Reappointment of Audit Institutions for 2023";</li> <li>"Proposal on the Total Financing Amount in 2023";</li> <li>"Proposal on the Total Amount of External Guarantees in 2023";</li> <li>"Proposal on Changing the Use of Part of the Raised Funds" ;</li> <li>"Proposal on &lt; Phase I Employee Stock Ownership Plan of Chifeng Jilong Gold</li> </ol>

				<p>Mining Co., Ltd. (Third Revised Draft)" and its summary";</p> <p>12. "Proposal on &lt;Administrative Measures for Phase I Employee Stock Ownership Plan of Chifeng Jilong Gold Mining Co., Ltd. (Third Revised Draft)&gt;".</p>
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**Shareholders of preference shares whose voting rights have been restored request to convene an extraordinary general meeting**

Applicable  Non-applicable

Explanation of the general meeting of shareholders

Applicable  Non-applicable

## II、 Changes in Directors, Supervisors and Senior Management of the Company

Applicable  Non-applicable

Name	Position held	Changes
Fu Xuesheng	Director, Co-Chairman	resigned
Zhao Qiang	Director, Executive President, Chief Financial Officer	resigned
Paul Harris	Executive president	terminated
	COO	appointed
Du Hui	CFO	appointed
Gao Bo	Executive President	Terminated
	Vice President	Appointed
Chen Zhiyong	Executive President	Terminated
	Vice President	Appointed
Zhou Xinbing	Executive President	Terminated
	Vice President	Appointed
Chen Tiehe	Executive President	Terminated
	Vice President	Appointed

Explanation on changes in directors, supervisors and senior management personnel of the Company

Applicable  Non-applicable

According to the Company's international development and production and operation needs, the thirteenth meeting of the eighth board of directors of the Company approved the resignation of Mr. Fu

Xuesheng from the Company's director, co-chairman and special committees of the board; approved the resignation of Mr. Zhao Qiang from the positions of director, executive president and the special committee of the board, removed Mr. Paul Harris from the position of executive president and kept him as the COO of the Company; adjusted the positions of Mr. Gao Bo, Mr. Chen Zhiyong and Mr. Zhou Xinbing from Executive President to Vice President. The term of their respective appointment is the same as the term of the board of directors. Upon the nomination by the CEO, Ms Du Hui was appointed by the Board as the CFO of the Company, and her term of appointment is the same as the term of the board of directors.

### III、 Profit distribution or capital reserve conversion plan

**The profit distribution plan and the plan for converting the public reserve fund into share capital in the semi-annual period**

Whether to distribute or convert	no
Bonus shares for every 10 shares (shares)	0
Dividend per 10 shares (yuan) (tax included)	0
Number of conversions per 10 shares (shares)	0

Explanation on the profit distribution or capital reserve conversion plan

The Company's board of directors didn't review the 2023 semi-annual profit distribution plan or the capital reserve conversion plan.

### IV、 The status and impact of the Company's equity incentive plan, employee stock ownership plan or other employee incentives

**(1) Relevant equity incentives that have been disclosed in a temporary announcement and there is no progress or change in subsequent implementation**

Applicable  Non -applicable

Matters overview	query index
The Company held the fifteenth meeting of the eighth board of directors on March 20, 2023, and deliberated and approved the "Proposal on <. Phase I Employee Stock Ownership Plan of Chifeng Jilong Gold Mining Co., Ltd (Third Revised Draft)" and its summary", "Proposal on <Administrative Measures for Phase I Employee Stock Ownership Plan of Chifeng Jilong Gold Mining Co., Ltd. (Third Revised Draft)>", "Proposal on < Phase II	"Announcement on Resolutions of the Fifteenth Meeting of the Eighth Board of Directors of Chifeng Gold" disclosed on March 21, 2023 (announcement number: 2023-017); The "Announcement on Revising Phase I Employee Stock Ownership Plan and Phase II Employee Stock Ownership



<p>Employee Stock Ownership Plan of Chifeng Jilong Gold Mining Co., Ltd. (Revised Draft) )&gt; and its summary", "Proposal on &lt;Administrative Measures for Phase II Employee Stock Ownership Plan of Chifeng Jilong Gold Mining Co., Ltd. (Revised Draft)&gt;" and other proposals; on April 20, 2023, the Company's 2022 annual general meeting of shareholders deliberated and approved the "Proposal on &lt; Phase I Employee Stock Ownership Plan of Chifeng Jilong Gold Mining Co., Ltd. (Third Revised draft)" and its Summary" and "Proposal on &lt; Administrative Measures for Phase I Employee Stock Ownership Plan of Chifeng Jilong Gold Mining Co., Ltd. (Third Revised Draft) &gt;".</p>	<p>Plan of Chifeng Gold" disclosed on March 21, 2023 (Announcement No.: 2023-019); The "Announcement on Resolutions of Chifeng Gold's 2022 Annual General Meeting of Shareholders" disclosed on April 21, 2023 (announcement number: 2023-032).</p>
<p>On April 28, 2023, the Company's second phase of employee stock ownership plan transferred 16,575,406 shares of the Company's repurchase special securities account through a block transaction, accounting for 0.9962% of the Company's current total share capital, and the transaction price was 18.15 yuan per share. The second phase of the employee stock ownership plan completed the stock transfer.</p>	<p>The "Announcement on Completing the Stock Transfer of Phase II Employee Stock Ownership Plan of Chifeng Gold" disclosed on April 29, 2023 (announcement number: 2023-034).</p>

**(2) Incentives not disclosed in the temporary announcement or with follow-up progress**

Equity Incentives

Applicable  Non-applicable

Employee Stock Ownership Plan

Applicable  Non-applicable

other incentives

Applicable  Non-applicable

## Section V Environment and Social Responsibility

### I、Environmental information

#### (1) Explanation on environmental protection of companies and their major subsidiaries that belong to the key pollutant discharge units announced by the environmental protection authorities

Applicable  Non-applicable

Dongfeng Mine of Hanfeng Mining, a wholly-owned subsidiary of the Company, is a key pollutant discharge unit in Jilin Province in 2022 announced by the Department of Ecology and Environment of Jilin Province; Huatai Mining is a key pollutant discharge unit in Inner Mongolia Autonomous Region in 2022 announced by the Department of Ecology and Environment of Inner Mongolia Autonomous Region. environment".

#### 1. Pollutants discharge information

Applicable  Non-applicable

(1) In accordance with the requirements of the ecological environment department, Hanfeng Mining has adopted protective measures such as covering contaminated soil that was generated at the startup of the mine in 1950 with top soil. The main pollutants emitted by Hanfeng Mining in daily production are particulate matter; the emission means is the smoke exhaust port of the dust collector, and there are 2 discharge ports; all of them are distributed in the crushing plant of the Lishan Mine processing plant.

(2) The main discharge of Huatai Mining is tailings, and there is no discharge of waste water or waste gas. The tailings slag is discharged to the tailings pond in a centralized manner by dry stacking, and the corrective method is to bury the tailings with soil and then plant grass for vegetation. Huatai entrusts a third-party professional Company to conduct environmental monitoring, focusing on groundwater, soil, and solid waste monitoring. During the monitoring period, all the indicators of the tailings sand met the standard limit requirements of the "Identification Standards for Hazardous Wastes - Identification of Leaching Toxicity" (GB5085.3-2007), and the cyanide content met the requirements of the "Technical Specifications for Cyanide Slag Pollution Control in the Gold Industry" HJ493-2018 (not greater than 5mg/L), and the PH value met the standard limit requirements of "Identification Standards for Hazardous Wastes-Corrosiveness Identification" (GB/508501-2007).

#### 2. Construction and operation of pollution prevention and control facilities

Applicable  Non-applicable

(1) The Dongfeng Mine of Hanfeng Mining took measures to prevent and control soil pollution, and compiled the "Report on Soil Pollution Risks Screening" and "Environmental Risk Management and Control Plan", and submitted them to Yanbian Prefecture Ecological Environment Bureau for record.

(2) Huatai Mining has remodeled the filter press plant of the tailings pond, and carried out harmless treatment of cyanide tailings, using an improved solid-liquid separation washing decyanation treatment process. The tailings have a water concentration of 40%. After being treated by the equipment, tailings water concentration is below 15%. The waste water generated during the filtration process flows into the collection tank and returns to the mineral processing plant, achieving 100% recycling and utilization of waste water. In order to reduce the emission of atmospheric particulate matter, a bag filter is installed above the crushing plant of the mineral processing plant, and the dust removal rate is as high as 98%, significantly reducing the emission of particulates.

### Environmental impact assessment of construction projects and other environmental protection administrative permits

Applicable  Non-applicable



(1) Dongfeng Mine of Hanfeng Mining is subordinate to the former Tianbaoshan Mining Bureau, and after the establishment of Hanfeng Mining in 2004, Dongfeng Mine was restored and properly managed. In March 2005, it obtained the "Approval of Environmental Impact Report on Tianbaoshan Residual Resource Recovery and Utilization Project of Longjing Hanfeng Mining Company Limited", and in

January 2008, it passed the environmental acceptance.

(2) Hanfeng Mining's 600,000 tons/year expansion project in the lower mining area of Lishan Mining Area completed the preparation of the Environmental Impact Assessment Report in August 2021 and obtained the Approval of the Environmental Impact Assessment Report in September 2021.

(3) Huatai Mining obtained the "Reply to the Environmental Impact Assessment Report on the Expansion Project of Chifeng Huatai Mining Company Limited for 60,000t/a (200t/d) Gold Ore Mining and Processing Project" and "Opinion on the Environmental Protection Acceptance of the Expansion Project of Chifeng Huatai Mining Company Limited for 60,000t/a (200t/d) Gold Ore Mining and Processing Project" from Chifeng Municipal Environmental Protection Bureau in 2007 and 2011, respectively.

#### **Emergency plan for environmental emergencies**

Applicable  Non-applicable

Wulong Mining, Hanfeng Mining and Huatai Mining have all formulated special emergency plans and filed them with the local environmental protection authorities

#### **Environmental Self-Monitoring Program**

Applicable  Non-applicable

Both Hanfeng Mining and Huatai Mining have compiled environmental self-monitoring plans in accordance with the requirements of the self-monitoring technical guidelines for pollutant discharge units, carried out self-monitoring work, and regularly entrusted qualified third-party testing agencies to conduct monitoring.

#### **Administrative penalties due to environmental issues during the reporting period**

Applicable  Non-applicable

#### **Other environmental information that should be disclosed**

Applicable  Non-applicable

Guangyuan Technology, a holding subsidiary of the Company, is engaged in the dismantling of waste electrical and electronic products. It is the only enterprise in Hefei that has the qualification for processing waste electrical and electronic products, and is a national key monitoring enterprise for hazardous waste. Lead-containing glass and circuit boards are produced during the production process. At present, Guangyuan Technology is mainly handed over to units with hazardous waste business licenses for use or disposal. According to the "Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste" and "Guidelines for the Qualification Examination and Licensing of Waste Electrical and Electronic Products Disposal Enterprises" (Ministry of Environmental Protection Announcement No. 90, 2010), for the dismantling of waste electrical and electronic products The transfer of the generated hazardous waste mainly implements the hazardous waste transfer form system, and the hazardous waste management plan is filed with the Environmental Protection Bureau

every year. Before transferring hazardous waste, both parties need to go through the formalities of hazardous waste transfer, which can only be carried out after receiving the approval letter from the environmental protection departments of both parties.

Guangyuan Technology's "waste electrical and electronic product processing and recycling project" obtained approval of "the Environmental Impact Report of Waste Electrical and Electronic Product Processing and Recycling Project of Anhui Guangyuan Technology Development Co., Ltd. " numbered Huan Jian Shen [2016] No. 101" from Hefei Environmental Protection Bureau on September 8, 2016 ", and in November 2018, it was accepted by the Environmental Protection Acceptance Working Group for Phased Completion of the Project.

The hazardous waste collection, storage and transshipment project of Guangyuan Technology, a small and micro enterprise, was filed with the Feidong County Development and Reform Commission on July 5, 2021, and received the environmental impact assessment approval from the Hefei Ecological Environment Bureau on September 1, 2021 (HuanJianshen [2021] No. 1049), and obtained the hazardous waste business license issued by the Hefei Ecological Environment Bureau on January 28, 2022. All supporting pollution prevention and control facilities of the project were implemented as required, and a hazardous waste management system was established and improved. The environmental protection acceptance of the project was completed in August 2022.

广源科技	
业务	废弃电器电子产品拆解
资质	合肥市唯一一家具有废弃电器电子产品处理资质的企业，属于危险废物国家重点监控企业。

## (2) Explanation on environmental protection of companies other than key pollutant discharge units

Applicable  Non-applicable

### 1. Cases of receiving administrative penalties due to environmental issues

Applicable  Non-applicable

### Disclosure of other environmental information with reference to key pollutant discharge units

Applicable  Non-applicable

The Company's subsidiaries, Jilong Mining and Wulong Mining, do not belong to the key pollutant discharge units announced by the environmental protection department. During the reporting period, the Companies strictly complied with relevant laws and regulations. On the basis of meeting the requirements of environmental protection laws and regulations, they ensured the normal operation of environmental protection facilities, set up a complete set of dust removal facilities, and smoke and dust emissions meeting the required standards. At the same time, the construction of green mines has been

strengthened. The processing plants of the gold mining subsidiaries have applied tailings dehydration technology to achieve zero discharge of waste water; an agreement was reached with the local environmental protection bureau to track dust, noise, water quality, soil, boilers and fugitive emissions; during the reporting period, the Company had no environmental pollution accidents.

**Reasons for not disclosing other environmental information**

Applicable Non-applicable

**(3) Explanation on the subsequent progress or changes of the content of environmental information disclosed during the reporting period**

Applicable Non-applicable

**(4) Relevant information that is conducive to protecting the ecology, preventing pollution, and fulfilling environmental responsibilities**

Applicable Non-applicable

The Company strictly abides by relevant laws and regulations on environmental protection, pays attention to environmental protection and energy saving in the production process, continuously innovates in environmental protection technology, adopts new mineral processing technology, purchases and installs

environmental protection equipment, and adopts greening and beautifying measures such as planting trees and grass on the bare ground in the mining area. The surrounding environment of the mining area has been improved. With obvious improvement, it has been awarded honorary titles such as "'12th Five-Year' Energy Saving and Emission Reduction Advanced Unit", "National Excellent Enterprise for Practicing Ecological Civilization", "National Machinery, Metallurgy and Building Materials Trade Union System Energy Conservation and Emission Reduction Advanced Unit". Jilong Mining's Zhuanshanzi Gold Mine, Hanfeng Mining's Lishan Mining Area, and Dongfeng Mine have been included in the National Green Mine List, and Wulong Mining and Huatai Mining's Honghuagou Mining Area No. 1 mining area have been rated as provincial (autonomous region) green mines.

The "Environmental Protection Tax Law of the People's Republic of China" revised in 2016 came into effect on January 1, 2018. The environmental protection tax of 1,000 yuan per ton of hazardous waste that does not meet the regulations will be levied. The "Technical Specifications for Cyanide Slag Pollution Control in the Gold Industry" jointly compiled by China Gold Association, Changchun Gold Research Institute and Chinese Academy of Environmental Science was also released by the Ministry of Environmental Protection in March 2018. Subsidiaries Jilong Mining and Huatai Mining use the





cyanidation process to extract gold. In order to meet environmental protection requirements, the Company carried out special research on the beneficiation process of the two subsidiaries and carried out decyanation process transformation. Since it was put into operation in October 2018, the project has been operating stably, and various indicators are relatively normal. After the testing by a professional testing company of samples of the detoxed tailings, the results are basically the same as those from the self-testing. The total cyanide concentration in the toxic leachate is all lower than 4mg/L, reaching the requirement of lower than 5mg provided in the cyanide slag technical specification. Other indicators are all in line with the specification requirements.

LXML in Laos conducts environmental management through the implementation of the Environmental Management Standard (EMS) and the site-specific Environmental Monitoring Plan (ESMP), the goal of which is to understand the root cause and develop and implement corrective measures by monitoring performance, setting targets and conducting thorough investigations, so as to continuously improve environmental performance. EMS and ESMP are developed according to the requirements of ISO 14001:2015 and fully comply with its standards. LXML's environmental impact management has been carried out long before mining activities, and environmental factors have been embedded in the entire mine life cycle activities. In February 2023, the Ministry of Energy and Mines of Laos awarded LXML an "A+" rating in recognition of its compliance with international environmental standards, promotion of sustainable community development, creation of more than 5,000 local job opportunities, and significant contribution to the socio-economic development of Laos. Contribution and other aspects set an example for other mining operations. LXML has maintained the highest rating for six consecutive years.

Golden Star Wassa has developed the Golden Star Oil Palm Plantation Restoration Program (GSOPP), providing a contribution of \$1 per ounce of gold produced at Golden Star Wassa to assist in the development of post-mining land use and productive assets to promote sustainable development of the local economy. This oil palm also has a very positive impact on reducing greenhouse gases, as forestry and agroforestry systems that include tree crops have greater carbon sequestration potential over longer periods of time. Golden Star Wassa has committed more than \$9.6 million to the program, assisting approximately 400 local farmers and creating approximately 400 temporary jobs. In 2021, Golden Star Wassa won the first ESG Product Award in the Mining and Finance Outstanding Achievement Awards; in 2022; with the support of the United Nations Industrial Development Organization, GSOPP won the international certificate of the Sustainable Palm Oil Roundtable. As of June 2023, Golden Star Wassa has planted more than 143,000 oil palm trees in 10 different communities, covering more than 1,000 hectares.

#### **(5) Measures taken to reduce carbon emissions and achieved effect during the reporting period**

Applicable  Non-applicable

In order to manage climate-related risks and enhance the ability to respond to climate change, the Company will take active actions to reduce greenhouse gas emissions, and will develop energy and

climate risk management-related strategies to achieve our goals and support the Company's transition to a low-carbon economy. During the reporting period, the Company actively responded to the "dual carbon" policy, explored the implementation of photovoltaic/wind power projects within the mining area, improved the energy structure, and achieved the goal of energy conservation and emission reduction. Jilong Mining plans to build a 10.4MW photovoltaic project and has submitted a project filing application to the relevant authorities. Wulong Mining plans to build about 50MW of photovoltaic/wind power, and LXML and Golden Star Wassa plan to build 100MW photovoltaic projects respectively. They are in the project feasibility study stage.

## **II、 Consolidate and expand the achievements of poverty alleviation and rural revitalization**

Applicable  Non-applicable

## Section VI Important Matters

### I、Fulfillment of Commitments

(1) Commitments made by the Company's actual controller, shareholders, related parties, acquirers and the Company and other relevant parties during the reporting period or carried over to the reporting period

√ Applicable  Non-applicable

background	Type of commitment	Committed by	Content of Commitment	Commitment time and deadline	Is there a performance deadline	whether fulfilled as committed
Commitments related to major asset restructuring	other	Li Jinyang (Zhao Meiguang), Hanfeng Zhongxing, Meng Qingguo	In the issuance of shares to purchase assets in 2019, I/the Partnership undertook that the equity interests held by me/the Partnership in Hanfeng Mining are real, legal and valid, and there is no case of holding equity interests on behalf of me/the Partnership by means of agreements, trusts or other means, or any interest arrangement with other parties, and that there is no dispute about ownership, or restriction on the rights of a third party such as the setting of mortgages, pledges, etc., or a case where the rights of a third party have been seized or frozen; and the ownership of the equity interests held by me/the Partnership in Hanfeng Mining is clear, and is not involved in any major disputes such as litigations, arbitrations, judicial enforcement, etc., or other cases hindering the transfer of ownership.	April 1, 2019, valid over the long time	no	yes

other	Li Jinyang (Zhao Meiguang), Hanfeng Zhongxing, Meng Qingguo	Commitment in asset purchase by issuing shares in 2019: (1) The paper version and electronic version of the transaction information provided by me/this partnership are complete, true and reliable, the relevant copy information or copies are consistent with the original, all signatures and seals on the documents are true and valid, and the copies are consistent with the original. I/this partnership guarantee the authenticity, accuracy and completeness of the materials and information provided, ensure that there are no false records, misleading statements or major omissions. If there are false records, misleading statements or major omissions in the information provided, which cause losses to listed company or investors, I/this partnership will be liable for compensation according to law. (2) After the completion of this transaction, if the information provided by me/this partnership about Hanfeng Mining in this transaction is suspected of false records, misleading statements or major omissions, and is filed for investigation by judicial organs or by China Securities Regulatory Commission, I/this partnership will not transfer the shares with interests in listed company until the investigation conclusion is formed.	April 1, 2019 , valid for a long time	no	yes
other	Li Jinyang (Zhao Meiguang)	Commitment in asset purchase by issuing shares in 2019: (1) Ensure that the directors, supervisors and senior executives of the listed company are elected, replaced, appointed or dismissed in accordance with laws, regulations, normative documents and the articles of association of the company. I shall not illegally interfere with the above-mentioned personnel appointment and dismissal of the listed company beyond the Board of Directors and the General Meeting of Shareholders, and ensure that the listed company is independent of the controlling shareholder in terms of labor and personnel management system. (2) Ensure that the listed company has complete operating assets and domicile	April 1, 2019 , valid over the long term	no	yes

		<p>and is independent of the controlling shareholder; ensure that I and other enterprises other than Chifeng Gold and its subsidiaries under my control shall not illegally occupy the funds, assets and other resources of listed company. (3) Ensure that listed company establishes and improves corporate governance structure and independent and complete organization, and standardizes operation; ensure that the listed company is completely separated from me and other enterprises under my control in terms of office and production and business premises. (4) Ensure that listed company has the assets, personnel and qualifications to independently carry out business activities, and has the ability to independently operate in the market, and operate independently in business operations; ensure that I do not interfere with the business activities of listed company except legally exercising shareholders' rights; ensure that the related party transactions with listed company are reduced or eliminated by legal means, and the prices of necessary related party transactions are determined according to the principles of fairness, reasonableness and marketization, so as to ensure that the interests of listed company and other shareholders are not damaged, and fulfill the obligation of information disclosure in a timely manner. (5) Ensure that listed company has independent financial accounting departments and establishes independent financial accounting system and financial management system; ensure that listed company opens accounts independently in banks and does not share the same bank account with me and other enterprises under my control; ensure that listed company makes financial decisions independently, and I and other enterprises under my control shall not interfere with the use of funds of listed company; ensure that listed company pays taxes independently according to law; ensure that the financial personnel</p>			
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		of listed company are independent, and may not work part-time or receive remuneration from me and other enterprises under my control. (6) If I fail to fulfill the commitments made in this commitment letter and cause losses to Chifeng Gold, I will compensate Chifeng Gold for the actual losses.			
Addressing competition in the same industry	Li Jinyang (Zhao Meiguang)	Commitment in asset purchase by issuing shares in 2019: (1) After the completion of this transaction, I will avoid directly or indirectly engaging in businesses that are the same, similar or competitive with listed company in any way within/outside China; do not provide proprietary technology or provide trade secrets such as sales channels and customer information to other companies, enterprises or other institutions, organizations or individuals whose businesses are the same as, similar to or compete with listed company in any way; do not support others other than listed company in any form to engage in businesses that compete or may compete with the current and future main businesses of listed company. (2) If, in order to support and consolidate the development of the main business of listed company, the enterprises under my control purchase relevant assets first, resulting in potential horizontal competition, I shall develop practical measures to solve the potential horizontal competition, so as to avoid substantial horizontal competition with listed company. (3) I confirm that this commitment letter is made to protect the rights and interests of Chifeng Gold. If I fail to fulfill the commitments made in this commitment letter and cause losses to Chifeng Gold, I will compensate Chifeng Gold for the actual losses.	April 1, 2019, valid over the long term	no	yes
Addressing related party transactions	Li Jinyang (Zhao Meiguang)	Commitment in asset purchase by issuing shares in 2019: (1) After the completion of this transaction, I and the companies, enterprises or economic organizations controlled or actually controlled by me will not have related party	April 1, 2019, valid	no	yes

			<p>transactions with listed company in principle, and transactions that can occur between listed company and independent third parties through the market will be conducted by listed company and independent third parties. (2) After the completion of this transaction, if the listed company must have inevitable related party transactions with me or my affiliated enterprises in business activities, I will cause such transactions to be carried out in strict accordance with relevant national laws and regulations, the Articles of Association of the listed company and relevant regulations for relevant procedures, and sign a written agreement with the listed company according to law; guarantee that it will be carried out in accordance with normal commercial terms, and that I and my affiliated enterprises will not require or accept more favorable conditions from listed company than third parties in any fair market transaction, and guarantee that the legitimate rights and interests of listed company will not be damaged through related party transactions. I and my affiliated enterprises will strictly fulfill all kinds of related party transaction agreements signed with listed company, and will not seek any benefits or gains beyond the provisions of these agreements from listed company. (3) After the completion of this transaction, I and my affiliated enterprises will strictly avoid borrowing from listed company, occupying the funds of listed company, or encroaching on the funds of listed company by means of advance payment and debt compensation by listed company. (4) If the violation of the above commitments causes losses to the listed company, I will make compensation to the listed company.</p>	over the long term		
	other	Li Jinyang (Zhao Meiguang)	<p>Commitment in asset purchase by issuing shares in 2019: If, according to the <i>Circular of the State Council on Printing and Distributing the Reform Scheme of Mineral Resources Equity Fund System</i>, the estimated resource reserves as of</p>	April 1, 2019, valid over the long time	no	yes



			December 31, 2018 in the <i>General Survey Report of Lishan Lead-Zinc Mine Deep (Below -92m Elevation) in Tianbaoshan Mining Area, Longjing City, Jilin Province</i> and the <i>General Survey Report of Dongfeng Molybdenum Mine Deep (Below 250m Elevation) in Tianbaoshan Lead-Zinc Mine Area, Longjing City, Jilin Province</i> are subject to supplementary payment of mining right price (or mining right equity transfer fee) when Dongfeng prospecting right and Lishan prospecting right are transferred to mining rights, I promise to bear the amount of mining right price (or mining right equity transfer fee).			
	other	Li Jinyang (Zhao Meiguang)	Commitment in asset purchase by issuing shares in 2019: The approval matters related to the mining rights of Hanfeng Mining, such as project establishment, environmental protection, industry access, land use, planning and construction, have all complied with the legal provisions. If the above matters do not comply with the relevant provisions, resulting in Hanfeng Mining being punished or causing losses, I shall bear all compensation liabilities.	April 1, 2019, valid for a long time	no	yes
	other	Li Jinyang (Zhao Meiguang), Hanfeng Zhongxing	Commitment in asset purchase by issuing shares in 2019: (1) I/this organization promise(s) to maintain the stability of the existing core management team of Hanfeng Mining during the performance commitment period, and not interfere with the operation and management activities of listed company and Hanfeng Mining beyond authority. I/this organization recognize(s) the annual production task indicators determined by listed company and Hanfeng Mining according to market conditions, future actual production capacity improvement speed and production capacity release, metal prices, actual mining grade of each mining area and other factors. Listed company and Hanfeng Mining will not be required to exploit resource reserves beyond the certified production scale in order to fulfill performance commitments. (2) I/this organization promise(s)	April 1, 2019, valid for a long time	no	yes

		<p>that the remaining recoverable reserves in the annual report of mine reserves of Lishan Mine and Dongfeng Mine in 2021 filed by the land department shall not be lower than the recoverable reserves at the end of 2021 predicted in the evaluation report issued by Yachao Evaluation for this transaction. (3) If Hanfeng Mining is punished by relevant departments or required to pay back taxes and fees for exceeding the production scale specified in the mining license or recycling low-grade ore, by-product ore and residual ore in mine goaf which are not included in its resource reserves, /this organization shall compensate or indemnify Hanfeng Mining in full.</p>			
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## II、 Funds occupied for non-operating purposes by controlling shareholders and other related parties during the reporting period

Applicable Non-applicable

## III、 Guarantees in violation of rules

Applicable Non-applicable

#### **IV、 Semi-annual report audit**

Applicable Non-applicable

#### **V、 Changes and handling of matters involved in non-standard audit opinions in the annual report of the previous year**

Applicable Non-applicable

#### **VI、 Matters related to bankruptcy and reorganization**

Applicable Non-applicable

#### **VII、 Major litigation and arbitration matters**

There is major litigation and arbitration in this reporting period

There is not major litigation and arbitration in this reporting period

#### **VIII、 Listed companies and their directors, supervisors, senior executives, controlling shareholders, and actual controllers suspected of violating laws and regulations, and the consequential punishments and rectifications**

Applicable Non-applicable

#### **IX、 Explanation on the integrity status of the Company and its controlling shareholders and actual controllers during the reporting period**

Applicable Non-applicable

## X、Major related party transactions

### (1) Related party transactions relevant to daily operations

**1. Matters that have been disclosed in the temporary announcement and have no progress or change in subsequent implementation**

Applicable Non-applicable

**2. Matters that have been disclosed in the temporary announcement, but have progress or changes in subsequent implementation**

Applicable Non-applicable

**3. Matters not disclosed in the temporary announcement**

Applicable Non-applicable

### (2) Related party transactions involving asset acquisitions or equity acquisitions or sales

**1. Matters that have been disclosed in the temporary announcement and have no progress or change in subsequent implementation**

Applicable Non-applicable

**2. Matters that have been disclosed in the temporary announcement, but have progress or changes in subsequent implementation**

Applicable Non-applicable

**3. Matters not disclosed in the temporary announcement**

Applicable Non-applicable

**4. If performance agreement is involved, the performance realization during the reporting period shall be disclosed**

Applicable Non-applicable

### (3) Significant related party transactions involving joint external investment

**1. Matters that have been disclosed in the temporary announcement and have no progress or change in subsequent implementation**

Applicable Non-applicable

**2. Matters that have been disclosed in the temporary announcement, but have progress or changes in subsequent implementation**

适用 不适用

**3. Matters not disclosed in the temporary announcement**

Applicable Non-applicable

**(4) Related claims and debts**

**1. Matters that have been disclosed in the temporary announcement and have no progress or change in subsequent implementation**

Applicable Non-applicable

**2. Matters that have been disclosed in the temporary announcement, but have progress or changes in subsequent implementation**

Applicable Non-applicable

**3. Matters not disclosed in the temporary announcement**

Applicable Non-applicable

**(5) The financial business between the Company and the related financial company and financial business between the Company's holding financial company and related parties**

Applicable Non-applicable

**(6) Other major related party transactions**

Applicable Non-applicable

**XI、 Significant contracts and their performance**

**1. Trusteeship, contracting and leasing**

Applicable Non-applicable

**2. Significant guarantees fulfilled and ongoing guarantees during the reporting period**

Applicable Non-applicable

**Unit: 10k Yuan Currency: RMB**

## XII、The Company's external guarantees (excluding guarantees for subsidiaries)

Total amount of guarantees incurred during the reporting period (excluding guarantees to subsidiaries)	0
Total balance of guarantees at the end of the reporting period (A) (excluding guarantees to subsidiaries)	0
<b>Guarantees provided to the subsidiaries by the Company</b>	
Total amount of guarantees for subsidiaries during the reporting period	47,451.60
Total balance of guarantees to subsidiaries at the end of the reporting period (B)	213,414.17
<b>Total Company guarantees (including guarantees to subsidiaries)</b>	
Total Guarantee (A+B)	213,414.17
The ratio of the total guarantee amount to the Company's net assets (%)	41.14
Among which:	
Amount of guarantee provided for shareholders, actual controllers and their related parties (C)	0
Amount of debt guarantee provided directly or indirectly for the guaranteed whose asset-liability ratio exceeds 70% (D)	0
The total amount where the total guarantee exceeds 50% of the net assets (E)	0
The total amount of the three guarantees above (C+D+E)	0
Explanation on possible joint and several liability for unexpired guarantees	none
Guarantee statement	<p>The Company's 16th meeting of the eighth board of directors held on March 30, 2023 and the 2022 annual general meeting of shareholders held on April 20, 2023 respectively deliberated and approved the "Proposal on the Total Amount of Financing in 2023" and the "Proposal on the Total Amount of External Guarantees in 2023". It was agreed in the meeting that the total amount of financing (referring to the financing balance) of the Company and its subsidiaries within the scope of consolidation in 2023 shall not exceed RMB 4.5 billion, including working capital loans, project loans, trade financing, and M&amp;A loans, etc., excluding non-public issuance of shares and other equity-based refinancing and corporate bonds, issuance of short-term financing bonds, medium-term notes and other debt financing instruments in the inter-bank market. In order to ensure the smooth and efficient implementation of financing, investment, and project cooperation of the Company and its subsidiaries within the scope of consolidation in 2023, it is proposed that the Company provide guarantees for subsidiaries or mutual guarantees be provided between subsidiaries. The total amount of the above guarantees shall not exceed RMB 5 billion Yuan.</p>

As of the end of the reporting period, the total amount of external guarantees provided by the Company was 2,134,141,700 yuan (the guarantee amount for US dollar loans was converted into Yuan according to the central parity rate of the RMB exchange rate announced by the People's Bank of China on June 30, 2023), accounting for 41.14% of the Company's audited net assets in 2022. These are all guarantees to the subsidiary companies.

### 3. other major contracts

Applicable Non-applicable

## XIII、 Explanation on other important matters

Applicable Non-applicable



## Section VII Changes in Shares and Information on Shareholders

### I、Changes in share capital

#### (1) Changes in Shares

##### 1. Changes in Shares

During the reporting period, the total number of shares and share capital structure of the Company remained unchanged.

##### 2. Description of changes in shares

适用 不适用

##### 3. The impact of shareholding changes on financial indicators such as earnings per share and net assets per share during the period from the reporting period to the disclosure date of the semi-annual report (if any)

Applicable Non-applicable

##### 4. Other content that the Company deems necessary or required by securities regulators to disclose

Applicable Non-applicable

#### (2) Changes in restricted shares

Applicable Non-applicable

### II、Shareholders

#### (1) Total number of shareholders

Total number of ordinary shareholders as of the end of the reporting period (account holder)	130,818
Total number of preferred shareholders with voting rights restored as of the end of the reporting period (account holder)	not applicable

(2) Table of shareholdings of the top ten shareholders and top ten tradable shareholders (or shareholders not subject to sales restrictions) as of the end of the reporting period

unit:share

Shareholdings of the top ten shareholders

shareholder name (full name)	increase or decrease in the reporting period	Number of shares held at the end of the period	Proportion(%)	Number of restricted shares held	Pledge, Mark or Freeze		Nature of shareholders
					Share Status	quantity	
Li Jinyang	0	190,410,595	11.44	0	pledge	147,000,000	Domestic natural person
Wang Jianhua	0	73,628,171	4.43	0	none		Domestic natural person
National Social Security Fund 118 Portfolio	3,000,000	73,461,884	4.42	0	none		other
Beijing Hanfeng Zhongxing Management Consulting Center (Limited Partnership)	0	51,515,151	3.10	0	none		other
Agricultural Bank of China Co., Ltd. - Dacheng New Industry Hybrid Securities Investment Fund	-6,327,900	38,408,967	2.31	0	none		other
National Social Security Fund 112 Portfolio	700,000	35,887,552	2.16	0	none		other
HKSCC	13,878,775	25,737,102	1.55	0	none		other
GF Securities Co., Ltd. - Dacheng Ruijing Flexible Allocation Hybrid Securities Investment Fund	-3,655,100	21,982,087	1.32	0	none		other

China Construction Bank Corporation - Cathay Pacific Shuangli Bond Securities Investment Fund	820,798	20,052,720	1.21	0	none	other
CCB Wealth Management Co., Ltd. - CCB Wealth Management "Chengxin" multi-allocation mixed type open-ended products with a minimum holding period of 2 years	8,739,393	19,118,114	1.15	0	none	other

**Shareholdings of the top ten shareholders not subject to sales restrictions**

shareholder name	Number of unrestricted tradable shares held	Type and number of shares	
		type	quantity
Li Jinyang	190,410,595	RMB common stock	190,410,595
Wang Jianhua	73,628,171	RMB common stock	73,628,171
National Social Security Fund 118 Portfolio	73,461,884	RMB common stock	73,461,884
Beijing Hanfeng Zhongxing Management Consulting Center (Limited Partnership)	51,515,151	RMB common stock	51,515,151
Agricultural Bank of China Co., Ltd. - Dacheng New Industry Hybrid Securities Investment Fund	38,408,967	RMB common stock	38,408,967
National Social Security Fund 112 Portfolio	35,887,552	RMB common stock	35,887,552
HKSCC	25,737,102	RMB common stock	25,737,102
GF Securities Co., Ltd. - Dacheng Ruijing Flexible Allocation Hybrid Securities Investment Fund	21,982,087	RMB common stock	21,982,087
China Construction Bank Corporation - Cathay Pacific Shuangli Bond Securities Investment Fund	20,052,720	RMB common stock	20,052,720
CCB Wealth Management Co., Ltd. - CCB Wealth Management "Chengxin" multi-allocation mixed type open-ended products with a minimum holding period of 2 years	19,118,114	RMB common stock	19,118,114
Explanation of the repurchase accounts among the top ten shareholders	not applicable		

Explanation on proxy voting rights and waiver of voting rights of the above-mentioned shareholders	not applicable
Explanation on the related relationship or concerted action of the above-mentioned shareholders	Li Jinyang and Beijing Hanfeng Zhongxing Management Consulting Center (Limited Partnership) are persons acting in concert; the Company does not know whether there is any associated relationship or concerted action relationship among other shareholders.
Explanation on preferred stockholders with restored voting rights and the number of shares held	not applicable

The number of shares held by the top ten shareholders with sales restrictions and the conditions for sales restrictions

Applicable  Non-applicable

**(3) Strategic investors or general legal persons become the top ten shareholders due to allotment of new shares**

Applicable  Non-applicable

### III、Directors, Supervisors and Senior Management

**(1) Changes in shareholding of current and resigned directors, supervisors and senior executives during the reporting period**

Applicable  Non-applicable

**(2) Share incentives granted to directors, supervisors and senior executives during the reporting period**

Applicable  Non-applicable

### IV、Changes in controlling shareholders or actual controllers

Applicable  Non-applicable

## Section VIII Preference Shares Related Information

Applicable Non-applicable

## Section IX Bond Related Information

### I、Corporate bonds, company bonds and non-financial corporate debt financing instruments

Applicable Non-applicable

#### 一、Convertible corporate bonds

Applicable Non-applicable

## Section X Financial Report

### I、Audit Report

Applicable  Non-applicable

### II、Financial Statements

#### consolidated balance sheet

June 30, 2023

Compilation unit: Chifeng Jilong Gold Mining Co., Ltd.

Unit: Yuan Currency: RMB

Items	notes	June 30, 2023	December 31, 2022
<b>Current assets:</b>			
Monetary funds		1,422,914,156.65	1,285,105,129.36
tradable financial assets		17,196,736.40	48,714,831.32
derivative financial assets			
notes receivable			
accounts receivable		456,715,302.96	368,874,179.78
Receivables Financing			
Prepayments		136,122,704.54	99,560,307.68
other receivables		123,165,311.94	53,448,273.07
Among which: interest receivable		1,102,436.24	
dividend receivable			
stock		2,280,224,508.35	2,164,627,536.11
contract assets			
Assets held for sale			
Non-current assets due within one year			42,118,328.77
other current assets		153,677,113.90	47,016,923.96
<b>Total Current Assets</b>		<b>4,590,015,834.74</b>	<b>4,109,465,510.05</b>
<b>Non-current assets:</b>			
Debt investment			
Other debt investment			
Long-term receivables		3,286,768.79	3,971,633.63



Long-term equity investment		373,937,107.91	357,818,699.45
Investment in other equity instruments			
Other non-current financial assets			
investment property			
fixed assets		4,958,459,194.73	5,184,905,189.13
Construction in progress		1,217,918,215.67	676,834,260.62
productive biological assets			
Oil and gas assets			
right-of-use asset		231,517,290.18	240,729,539.46
intangible assets		7,026,524,013.78	6,733,087,454.99
Development expenditure			
Goodwill		41,968,889.08	41,968,889.08
Long-term prepaid expenses		1,091,824.81	483,812.50
Deferred tax assets		26,712,970.18	53,977,774.63
Other non-current assets		160,013,007.92	141,051,692.55
Total non-current assets		14,041,429,283.05	13,434,828,946.04
total assets		18,631,445,117.79	17,544,294,456.09
<b>Current liabilities:</b>			
short-term loan		507,999,262.79	488,409,143.79
Tradable financial liabilities		969,592,140.00	620,250,390.00
derivative financial liabilities			
Notes payable			158,000,000.00
accounts payable		470,246,058.11	693,390,035.31
advance payment			
contract liabilities		81,224,003.71	62,051,609.97
Payroll payable		132,416,277.36	114,453,909.28
Taxes payable		231,116,099.20	270,639,916.69
Other payables		954,681,811.30	487,025,962.51
Of which: interest payable			
Dividends payable			
Liabilities held for sale			
Non-current liabilities due within one year		362,515,393.28	385,363,490.21
Other current liabilities		871,143.22	298,435.77

Total current liabilities		3,710,662,188.97	3,279,882,893.53
<b>Non-current liabilities:</b>			
Long term loan		1,434,296,738.73	1,513,780,782.52
Bonds payable			
Of which: preferred shares			
Perpetual bonds			
lease liability		224,724,881.89	230,805,049.49
Long-term payables		77,816,114.99	62,336,784.87
Long-term salary payable			
Estimated liabilities		2,051,895,624.37	1,984,833,523.94
Deferred income		1,378,000.71	2,072,500.67
Deferred tax liabilities		2,487,692,855.17	2,455,982,089.55
Other non-current liabilities		611,679,939.45	606,297,934.13
Total non-current liabilities		6,889,484,155.31	6,856,108,665.17
Total Liabilities		10,600,146,344.28	10,135,991,558.70
<b>Owner's Equity (or Shareholders' Equity):</b>			
Paid-in capital (or share capital)		1,663,911,378.00	1,663,911,378.00
Other Equity Instruments			
Of which: preferred shares			
Perpetual bonds			
capital reserve		626,613,563.85	626,613,563.85
Less: treasury stock		350,800,094.45	300,787,044.21
Other comprehensive income		164,707,967.54	-14,346,240.25
Special reserves		4,112,117.74	893,848.95
Surplus reserve		132,124,232.09	132,124,232.09
undistributed profit		3,391,123,092.32	3,079,159,820.20
Total owner's equity (or shareholders' equity) attributable to the parent Company		5,631,792,257.09	5,187,569,558.63
minority interests		2,399,506,516.42	2,220,733,338.76
Total Owner's Equity (or Shareholders' Equity)		8,031,298,773.51	7,408,302,897.39

Total Liabilities and Owner's Equity (or Shareholders' Equity)		18,631,445,117.79	17,544,294,456.09
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Person in charge of the Company: Wang Jiahua Person in charge of accounting work: Wong Hok Bun Mario Person in charge of the accounting department: Du Hui

### Parent Company Balance Sheet

June 30, 2023

Compilation unit: Chifeng Jilong Gold Mining Co., Ltd.

Unit: Yuan Currency: RMB

Items	notes	June 30, 2023	December 31, 2022
<b>Current assets:</b>			
Monetary funds		375,459,708.70	401,707,796.43
tradable financial assets			
derivative financial assets			
notes receivable			
accounts receivable			
Receivables Financing			
Prepayments		551,763.50	775,653.00
other receivables		992,668,333.86	332,072,446.67
Of which: interest receivable			
dividend receivable			
stock			
contract assets			
Assets held for sale			
Non-current assets due within one year			
other current assets			
Total Current Assets		1,368,679,806.06	734,555,896.10
<b>Non-current assets:</b>			
Debt investment			
Other debt investment			
Long-term receivables			
Long-term equity investment		6,199,991,544.02	6,136,574,442.10

Investment in other equity instruments			
Other non-current financial assets			
investment property			
fixed assets		3,523,668.30	12,321,422.32
Construction in progress			
productive biological assets			
Oil and gas assets			
right-of-use asset		6,534,954.84	9,325,166.26
intangible assets		1,246,554.78	1,353,138.84
Development expenditure			
Goodwill			
Long-term prepaid expenses			
Deferred tax assets			
Other non-current assets			52,973.39
Total non-current assets		6,211,296,721.94	6,159,627,142.91
total assets		7,579,976,528.00	6,894,183,039.01
<b>Current liabilities:</b>			
short-term loan		250,000,000.00	358,619,768.80
Tradable financial liabilities			
derivative financial liabilities			
Notes payable			
accounts payable			
advance payment			
contract liabilities			
Payroll payable		1,238,216.21	3,968,998.46
Taxes payable		452,637.19	950,083.68
Other payables		1,586,883,167.08	746,950,029.84
Of which: interest payable			
Dividends payable			
Liabilities held for sale			
Non-current liabilities due within one year			242,490,029.91
Other current liabilities			
Total current liabilities		1,838,574,020.48	1,352,978,910.69

<b>Non-current liabilities:</b>			
Long term loan		898,463,275.78	774,895,062.62
Bonds payable			
Of which: preferred shares			
Perpetual bonds			
lease liability		4,286,338.03	4,876,035.00
Long-term payables			
Long-term salary payable			
Estimated liabilities			
Deferred income			
Deferred tax liabilities			
Other non-current liabilities			
Total non-current liabilities		902,749,613.81	779,771,097.62
Total Liabilities		2,741,323,634.29	2,132,750,008.31
<b>Owner's Equity (or Shareholders' Equity):</b>			
Paid-in capital (or share capital)		1,663,911,378.00	1,663,911,378.00
Other Equity Instruments			
Of which: preferred shares			
Perpetual bonds			
capital reserve		2,048,631,419.96	2,048,631,419.96
Less: treasury stock		350,800,094.45	300,787,044.21
Other comprehensive income			
Special reserves			
Surplus reserve		150,144,091.35	150,144,091.35
undistributed profit		1,326,766,098.85	1,199,533,185.60
Total Owner's Equity (or Shareholders' Equity)		4,838,652,893.71	4,761,433,030.70
Total Liabilities and Owner's Equity (or Shareholders' Equity)		7,579,976,528.00	6,894,183,039.01

Person in charge of the Company: Wang Jianhua Person in charge of accounting work: Wong Hok Bun Mario Person in charge of the accounting department: Du Hui

### Consolidated Income Statement

January to June 2023

Unit: Yuan Currency: RMB

Items	notes	Half-year 2023	Half year 2022
1 Total operating income		3,371,705,496.12	3,046,336,657.98
Of which: operating income		3,371,705,496.12	3,046,336,657.98
2. Total operating cost		2,812,907,175.22	2,197,544,412.08
Of which: Operating costs		2,297,636,008.90	1,768,350,132.41
Taxes and surcharges		154,429,951.62	136,580,115.41
sales expense		3,591,901.57	3,486,734.38
Management costs		264,414,744.21	239,713,769.20
R & D costs		11,392,225.89	10,022,497.15
Financial expenses		81,442,343.03	39,391,163.53
Of which: interest expense		96,148,807.16	54,686,651.72
interest income		20,036,165.57	6,207,967.86
Plus: other income		1,048,719.89	2,640,179.55
Investment income (losses are listed with "-")		3,580,390.96	13,201,404.55
Including: investment income from associates and joint ventures			
Gains from derecognition of financial assets measured at amortized cost (losses are listed with "-")			
Exchange gains (losses are listed with "-")			
Net exposure hedging income (losses are listed with "-")			
Gains from changes in fair value (losses are listed with "-")		-54,064,384.21	-19,627,300.71
Credit impairment losses (losses are listed with "-")		-1,132,239.13	-1,587,167.73
Asset impairment losses (losses are listed with "-")		30,561,961.94	-288,831,260.96
Gains from asset disposal (losses are listed with "-")		-2,395,902.94	-2,875,135.26
3. Operating profit (losses are listed with "-")		536,396,867.41	551,712,965.34
Add: non-operating income		685,909.96	4,000,808.40
Less: Non-operating expenses		2,271,428.05	3,631,959.15

4. Total profit (total loss is listed with "-")		534,811,349.32	552,081,814.59
Deduct: income tax expense		181,017,750.91	80,207,429.27
5. Net profit (net loss is listed with "-")		353,793,598.41	471,874,385.32
(1) Classification by business continuity			
①. Net profit from continuing operations (net losses are listed with "-")		353,793,598.41	471,874,385.32
②. Net profit from discontinued operations (net losses are listed with "-")			
(2) Classification by Ownership			
①. Net profit attributable to shareholders of the parent Company (net loss is listed with "-")		311,963,272.12	410,894,947.84
②. Profit and loss of minority shareholders (net loss is listed with "-")		41,830,326.29	60,979,437.48
6. Net-of-tax amount of other comprehensive income		244,024,224.82	258,124,208.82
(1) Net-of-tax amount of other comprehensive income attributable to owners of the parent Company		179,054,207.79	230,282,963.02
①. Other comprehensive income that cannot be reclassified into profit or loss			
(a) Remeasurement of changes in defined benefit plans			
(b) Other comprehensive income that cannot be transferred to profit or loss under the equity method			
(c) Changes in fair value of other equity instrument investments			
(d) Changes in the fair value of the enterprise's own credit risk			
②. Other comprehensive income that will be reclassified into profit or loss		179,054,207.79	230,282,963.02



(a) Other comprehensive income that can be transferred to profit or loss under the equity method			
(b) Changes in fair value of other debt investments			
(c) Amount of reclassification of financial assets included in other comprehensive income			
(d) Provision for credit impairment of other debt investments			
(e) Cash flow hedging reserve		303,161.00	-27,360,074.99
(f) Translation differences of foreign currency financial statements		178,751,046.79	257,643,038.01
(g) Others			
(2) Net of-tax amount of other comprehensive income attributable to minority shareholders		64,970,017.03	27,841,245.80
7. Total comprehensive income		597,817,823.23	729,998,594.14
(1) Total comprehensive income attributable to owners of the parent Company		491,017,479.91	641,177,910.86
(2) Total comprehensive income attributable to minority shareholders		106,800,343.32	88,820,683.28
8. Earnings per share:			
(1) Basic earnings per share (yuan/share)		0.19	0.25
(2) Diluted earnings per share (yuan/share)		0.19	0.25

Person in charge of the Company: Wang Jianhua Person in charge of accounting work: Wong Hok Bun Mario Person in charge of the accounting department: Du Hui

### Parent Company income statement

January to June 2023

Unit: Yuan Currency: RMB

items	notes	Half-year 2023	Half year 2022
I. Operating income		66,925,795.23	63,023,526.00
Less: operating costs			

Taxes and surcharges		167,152.29	347,501.39
sales expense			
Management costs		33,966,244.07	42,667,741.29
R & D costs			
Financial expenses		4,331,918.29	43,482,282.84
Of which: interest expense		26,583,396.01	25,802,561.25
interest income		5,866,842.91	4,605,875.16
Plus: other income		174,337.78	214,127.41
Investment income (losses are listed with "-")		99,917,101.92	556,740,085.58
Including: investment income from associates and joint ventures			
Gains from derecognition of financial assets measured at amortized cost (losses are listed with "-")			
Net exposure hedging income (losses are listed with "-")			
Gains from changes in fair value (losses are listed with "-")			
Credit impairment losses (losses are listed with "-")		18.00	29,147.57
Asset impairment losses (losses are listed with "-")			
Gains from asset disposal (losses are listed with "-")		-1,319,025.03	-2,665,985.17
2. Operating profit (losses are listed with "-")		127,232,913.25	530,843,375.87
Add: non-operating income			0.73
Less: Non-operating expenses			239.95
3. Total profit (total loss is listed with "-")		127,232,913.25	530,843,136.65
Deduct: income tax expense			
4. Net profit (net loss is listed with "-")		127,232,913.25	530,843,136.65

(1) Net profit from continuing operations (net losses are listed with "-")		127,232,913.25	530,843,136.65
(2) Net profit from discontinued operations (net losses are listed with "-")			
5. Net-of-tax amount of other comprehensive income			
(1) Other comprehensive income that cannot be reclassified into profit or loss			
①. Remeasurement of changes in defined benefit plans			
②. Other comprehensive income that cannot be transferred to profit or loss under the equity method			
③. Changes in fair value of other equity instrument investments			
④. Changes in the fair value of the enterprise's own credit risk			
(2) Other comprehensive income that will be reclassified into profit or loss			
① Other comprehensive income that can be transferred to profit or loss under the equity method			
② Changes in fair value of other debt investments			
③ The amount of reclassification of financial assets included in other comprehensive income			
④ Other debt investment credit impairment provision			
⑤ Cash flow hedge reserve			
⑥ Foreign currency financial statement conversion differences			

⑦ Other			
6. Total comprehensive income		127,232,913.25	530,843,136.65
7. Earnings per share:			
(1) Basic earnings per share (yuan/share)			
(2) Diluted earnings per share (yuan/share)			

Person in charge of the Company: Wang Jianhua Person in charge of accounting work: Wong Hok Bun Mario Person in charge of the accounting department: Du Hui

### Consolidated Cash Flow Statement

January to June 2023

Unit: Yuan Currency: RMB

items	notes	Half-year 2023	Half year 2022
<b>1. Cash flow from operating activities:</b>			
Cash received from sales of goods and rendering of services		3,289,679,692.15	3,024,281,426.23
Tax Refund		57,142,398.07	7,696.59
Cash received from other operating activities		83,378,300.83	91,902,122.12
Subtotal of cash inflow from operating activities		3,430,200,391.05	3,116,191,244.94
Cash paid for goods purchased and services received		1,547,297,645.26	1,877,760,899.44
Cash paid to and for employees taxes paid		447,488,058.65	499,378,603.62
Other cash payments related to operating activities		439,942,814.16	346,573,502.97
Subtotal of cash outflow from operating activities		122,910,056.54	302,493,362.18
Net cash flow from operating activities		2,557,638,574.61	3,026,206,368.21
Net cash flow from operating activities		872,561,816.44	89,984,876.73
<b>2. Cash flow from investing activities:</b>			
Return of cash received on investment			
Cash received from investment income		14,671,736.60	613,631.04

Net cash received from disposal of fixed assets, intangible assets and other long-term assets		8,009,709.39	15,413,320.00
Net cash received from disposal of subsidiaries and other business units			
Other cash received relating to investing activities			406,000,000.00
Subtotal of cash inflows from investing activities		22,681,445.99	422,026,951.04
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets		788,788,818.49	909,359,759.33
Cash Investment			
Net cash paid for acquisition of subsidiaries and other business units		18,095,428.16	1,770,404,350.63
Other cash paid relating to investing activities		113,876,400.00	1,073,283,790.00
Subtotal of cash outflows from investing activities		920,760,646.65	3,753,047,899.96
Net cash flows from investing activities		-898,079,200.66	-3,331,020,948.92

### 3. Cash flow from financing activities:

Cash received from absorption of investments			
Including: cash received by subsidiaries from investment from minority shareholders			
Get cash received from borrowing		208,213,627.56	2,514,727,135.54
Other cash receipts related to financing activities		750,744,181.29	404,602,397.14
Subtotal of cash inflows from financing activities		958,957,808.85	2,919,329,532.68
cash paid to service debt		528,174,583.84	166,659,186.47

Cash paid for distribution of dividends, profits, or interest payments		75,830,742.74	57,130,971.21
Including: Dividends and profits paid by subsidiaries to minority shareholders			
Other cash payments related to financing activities		303,513,050.24	25,769,375.00
Subtotal of cash outflows from financing activities		907,518,376.82	249,559,532.68
Net cash flow from financing activities		51,439,432.03	2,669,770,000.00
<b>4. Impact of exchange rate changes on cash and cash equivalents</b>		13,168,542.46	25,480,215.10
<b>V. Net increase in cash and cash equivalents</b>		39,090,590.27	-545,785,857.09
Add: Opening balance of cash and cash equivalents		1,052,544,506.50	1,707,868,389.69
<b>6. Balance of cash and cash equivalents at the end of the period</b>		1,091,635,096.77	1,162,082,532.60

Person in charge of the Company: Wang Jianhua Person in charge of accounting work: Wong Hok Bun Mario Person in charge of the accounting department: Du Hui

### Parent Company cash flow statement

January to June 2023

Unit: Yuan Currency: RMB

Items	notes	Half-year 2023	Half year 2022
<b>1. Cash flow from operating activities:</b>			
Cash received from sales of goods and rendering of services			
Tax Refund			
Cash received from other operating activities		161,820,153.39	463,896,592.54
Subtotal of cash inflow from operating activities		161,820,153.39	463,896,592.54

Cash paid for goods purchased and services received			
Cash paid to and for employees		11,639,362.95	30,800,877.64
taxes paid		841,162.63	1,720,516.35
Other cash payments related to operating activities		23,539,066.59	31,384,577.16
Subtotal of cash outflow from operating activities		36,019,592.17	63,905,971.15
Net cash flow from operating activities		125,800,561.22	399,990,621.39
<b>2. Cash flow from investing activities:</b>			
Return of cash received on investment			
Cash received from investment income		100,000,000.00	200,054,461.32
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		7,963,709.39	15,288,320.00
Net cash received from disposal of subsidiaries and other business units			
Other cash received relating to investing activities			453,100,000.00
Subtotal of cash inflows from investing activities		107,963,709.39	668,442,781.32
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets		387,566.60	70,223.99
Cash Investment		22,700,000.00	1,844,014,800.00
Net cash paid for acquisition of subsidiaries and other business units			
Other cash paid relating to investing activities		148,850,000.00	416,000,000.00
Subtotal of cash outflows from investing activities		171,937,566.60	2,260,085,023.99



Net cash flows from investing activities		-63,973,857.21	-1,591,642,242.67
<b>3. Cash flow from financing activities:</b>			
Cash received from absorption of investments			
Get cash received from borrowing			1,199,062,037.63
Other cash receipts related to financing activities		300,548,987.65	229,430,457.24
Subtotal of cash inflows from financing activities		300,548,987.65	1,428,492,494.87
cash paid to service debt		214,432,130.24	
Cash paid for distribution of dividends, profits, or interest payments		30,242,952.79	22,162,014.66
Other cash payments related to financing activities		143,948,450.24	792,191,157.63
Subtotal of cash outflows from financing activities		388,623,533.27	814,353,172.29
Net cash flow from financing activities		-88,074,545.62	614,139,322.58
<b>4. Impact of exchange rate changes on cash and cash equivalents</b>		-246.12	4.26
<b>V. Net increase in cash and cash equivalents</b>		-26,248,087.73	-577,512,294.44
Add: Opening balance of cash and cash equivalents		401,707,796.43	1,029,017,636.18
<b>6. Balance of cash and cash equivalents at the end of the period</b>		375,459,708.7	451,505,341.74

Person in charge of the Company: Wang Jianhua Person in charge of accounting work: Wong Hok Bun Mario Person in charge of the accounting department: Du Hui

## Consolidated Statement of Changes in Owner's Equity

January to June 2023

Unit: Yuan Currency: RMB

Items	Half year in 2023								minority interests	Total owner's equity
	Owner's equity attributable to the parent Company									
	Paid-in capital (or share capital)	capital reserve	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserve	undistributed profit	Subtotal		
I. The balance at the end of the previous year	1,663,911,378.00	626,613,563.85	300,787,044.21	-14,346,240.25	893,848.95	132,124,232.09	3,079,159,820.20	5,187,569,558.63	2,220,733,338.76	7,408,302,897.39
Add: Changes in accounting policies										
Early error correction										
Business combination under common control										
other										
II. Balance at the beginning of the year	1,663,911,378.00	626,613,563.85	300,787,044.21	-14,346,240.25	893,848.95	132,124,232.09	3,079,159,820.20	5,187,569,558.63	2,220,733,338.76	7,408,302,897.39
III. The amount of increase or decrease in the current period (decrease is filled in with "-")			50,013,050.24	179,054,207.79	3,218,268.79		311,963,272.12	444,222,698.46	178,773,177.66	622,995,876.12

(1) Total comprehensive income				179,054,207.79			311,963,272.12	491,017,479.91	106,800,343.32	597,817,823.23
(2) Owner input and reduction of capital			50,013,050.24					-50,013,050.24	71,972,834.34	21,959,784.10
1. Common stock invested by owners										
2. Capital contribution from holders of other equity instruments										
3. share-based payments included in owner's equity										
4. others			50,013,050.24					-50,013,050.24	71,972,834.34	21,959,784.10
(3) Profit distribution										
1. Withdrawal of surplus reserve										
2. Withdrawal of general risk provisions										
3. Distribution to Owners (or Shareholders)										
4. others										
(4) Internal transfer of owner's equity										

1. Converting capital reserves into capital (or share capital)										
2. Turn surplus reserve into capital (or share capital)										
3. Surplus reserves to cover losses										
4. Changes in defined benefit plans carried forward to retained earnings										
5. Other comprehensive income carried forward to retained earnings										
6. other										
(5) Special reserve					3,218,268.79			3,218,268.79		3,218,268.79
1. Withdrawal in this period					7,841,714.80			7,841,714.80		7,841,714.80
2. Use in this period					4,623,446.01			4,623,446.01		4,623,446.01
(6) Others										
IV. Balance at the end of the period	1,663,911,378.00	626,613,563.85	350,800,094.45	164,707,967.54	4,112,117.74	132,124,232.09	3,391,123,092.32	5,631,792,257.09	2,399,506,516.42	8,031,298,773.51

items

Half year in 2022

	Owner's equity attributable to the parent Company								minority interests	Total owner's equity
	Paid-in capital (or share capital)	capital reserve	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserve	undistributed profit	Subtotal		
I. Balance at the end of the previous year	1,663,911,378.00	626,613,563.85		-431,309,699.45	1,032,485.93	81,426,537.73	2,678,742,115.49	4,620,416,381.55	380,614,119.43	5,001,030,500.98
Add: Changes in accounting policies										
Early error correction										
Business combination under common control										
other										
2. Balance at the beginning of the year	1,663,911,378.00	626,613,563.85		-431,309,699.45	1,032,485.93	81,426,537.73	2,678,742,115.49	4,620,416,381.55	380,614,119.43	5,001,030,500.98
3. The amount of increase or decrease in the current period (decrease is filled in with "-")				230,282,963.02	249,471.05		410,894,947.84	641,427,381.91	1,768,897,964.19	2,410,325,346.10
(1) Total comprehensive income				230,282,963.02			410,894,947.84	641,177,910.86	1,768,897,964.19	2,410,075,875.05

(2) Owner input and reduction of capital										
1. Common stock invested by owners										
2. Capital contribution from other equity instrument holders										
3. The amount of share payment included in owner's equity										
4. others										
(3) Profit distribution										
1. Withdrawal of surplus reserve										
2. Withdrawal of general risk provisions										
3. Distribution to Owners (or Shareholders)										
4. others										
(4) Internal transfer of owner's equity										

1. Converting capital reserves into capital (or share capital)										
2. Turn surplus reserve into capital (or share capital)										
3. Surplus reserves to cover losses										
4. Changes in defined benefit plans carried forward to retained earnings										
5. Other comprehensive income carried forward to retained earnings										
6. others										
(5) Special reserve					249,471.05			249,471.05		249,471.05
1. Withdrawal in this period					6,047,742.01			6,047,742.01		6,047,742.01
2. Use in this period					5,798,270.96			5,798,270.96		5,798,270.96
(6) Others										
IV. Balance at the end of the period	1,663,911,378.00	626,613,563.85		-201,026,736.43	1,281,956.98	81,426,537.73	3,089,637,063.33	5,261,843,763.46	2,149,512,083.62	7,411,355,847.08

Person in charge of the Company: Wang Jianhua Person in charge of accounting work: Wong Hok Bun Mario Person in charge of the accounting department: Du Hui

Statement of Changes in Owner's Equity of the Parent Company

January to June 2023

Unit: Yuan Currency: RMB

Items	Half year in 2023							
	Paid-in capital (or share capital)	capital reserve	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserve	undistributed profit	Total owner's equity
I. Balance at the end of the previous year	1,663,911,378.00	2,048,631,419.96	300,787,044.21			150,144,091.35	1,199,533,185.60	4,761,433,030.70
Add: Changes in accounting policies								
Early error correction								
other								
2. Balance at the beginning of the year	1,663,911,378.00	2,048,631,419.96	300,787,044.21			150,144,091.35	1,199,533,185.60	4,761,433,030.70
3. The amount of increase or			50,013,050.24				127,232,913.25	77,219,863.01



decrease in the current period (decrease is filled in with "-")								
(1) Total comprehensive income							127,232,913.25	127,232,913.25
(2) Owner input and reduction of capital			50,013,050.24					-50,013,050.24
1. Common stock invested by owners								
2. Capital contribution from other equity instrument holders								
3. Share-based payments								

included in owner's equity								
4. others			50,013,050.24					-50,013,050.24
(3) Profit distribution								
1. Withdrawal of surplus reserve								
2. Distribution to Owners (or Shareholders)								
3. others								
(4) Internal transfer of owner's equity								
1. Converting capital reserves into capital (or share capital)								
2. Turn surplus reserve into capital (or share capital)								

3. Surplus reserves to cover losses								
4. Changes in defined benefit plans carried forward to retained earnings								
5. Other comprehensive income carried forward to retained earnings								
6. others								
(5) Special reserve								
1. Withdrawal in this period								
2. Use in this period								
(6) Others								

4. Balance at the end of the period	1,663,911,378.00	2,048,631,419.96	350,800,094.45			150,144,091.35	1,326,766,098.85	4,838,652,893.71
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Items	Half year in 2022							
	Paid-in capital (or share capital)	capital reserve	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserve	undistributed profit	Total owner's equity
I. Balance at the end of the previous year	1,663,911,378.00	2,048,631,419.96				99,446,396.99	743,253,936.29	4,555,243,131.24
Add: Changes in accounting policies								
Early error correction other								
II. Balance at the beginning of the year	1,663,911,378.00	2,048,631,419.96				99,446,396.99	743,253,936.29	4,555,243,131.24
III. The amount of increase or decrease in the current period (decrease is filled in with "-")							530,843,136.65	530,843,136.65
(1) Total comprehensive income							530,843,136.65	530,843,136.65

(2) Owner input and reduction of capital								
1. Common stock invested by owners								
2. Capital contribution from other equity instrument holders								
3. Share-based payments included in owner's equity								
4. others								
(3) Profit distribution								
1. Withdrawal of surplus reserve								
2. Distribution to Owners (or Shareholders)								
3. others								
(4) Internal transfer of owner's equity								
1. Converting capital reserves into capital (or share capital)								

2. Turn surplus reserve into capital (or share capital)								
3. Surplus reserves to cover losses								
4. Changes in defined benefit plans carried forward to retained earnings								
5. Other comprehensive income carried forward to retained earnings								
6. others								
(5) Special reserve								
1. Withdrawal in this period								
2. Use in this period								
(6) Others								
4. Balance at the end of the period	1,663,911,378.00	2,048,631,419.96				99,446,396.99	1,274,097,072.94	5,086,086,267.89

Person in charge of the Company: Wang Jianhua Person in charge of accounting work: Wong Hok Bun Mario Person in charge of the accounting department: Du Hui

### III、 Basic information of the Company

#### 1. Company Profile

Applicable  Non-applicable

Chifeng Jilong Gold Mining Co., Ltd. ("the Company") was formerly known as Guangzhou Baolong Special Automobile Co., Ltd. ("Dongfang Baolong"). In August 2010, the name of Dongfang Baolong was changed to Guangdong Dongfang Brothers Investment Co., Ltd. ("Dongfang Baolong" Eastern Brothers").

On November 23, 2012, in China Securities Regulatory Commission's ("CSRC") "Reply on Approving the Major Asset Restructuring of Guangdong Dongfang Brothers Investment Co., Ltd and Issuance of Shares to Zhao Meiguang and others to Purchase Assets" (Zhengjian Xuke No. 1569), Dongfang Brothers was approved to issue 183,664,501 shares of RMB ordinary shares (A shares) to purchase 100.00% equity of Chifeng Jilong Mining Co., Ltd. held by Zhao Meiguang, Zhao Guixiang, Zhao Guiyuan, Liu Yongfeng, Ren Yiguo, Ma Li, Li Xiaohui, and Meng Qingguo.

On December 3, 2012, Dongfang Brothers completed the registration of issuing 183,664,501 RMB ordinary shares to 8 natural persons including Zhao Meiguang at China Securities Depository and Clearing Co., Ltd. Shanghai Branch ("Zhongdeng Shanghai Branch") The total number of registered capital shares after the change is 283,302,301 shares. On December 5, 2012, Dongfang Brothers completed the industrial and commercial change registration for increasing the registered capital at the Guangzhou Industrial and Commercial Bureau. The registered capital of Dongfang Brothers increased from RMB 99,637,800.00 to RMB 283,302,301.00.

On December 24, 2012, approved by the Administration for Industry and Commerce of the Inner Mongolia Autonomous Region, Dongfang Brothers moved to Fumin Village, Sidaowanzi Town, Aohan Banner, Chifeng City. The name was changed to: Chifeng Jilong Gold Mining Co., Ltd., and the business scope was changed to : Sales of gold mineral products; investment and management of the mining industry.

On April 28, 2014, the Company's 2013 annual general meeting reviewed and approved the board's profit distribution plan for 2013. Based on the Company's total share capital of 283,302,301 shares as of December 31, 2013, the capital reserve was converted into 10 shares for every 10 shares held by all shareholders. The total share capital after the change is 566,604,602.00 yuan.

On May 22, 2014, the Inner Mongolia Autonomous Region Industrial and Commercial Bureau completed the industrial and commercial registration procedures for increasing the registered capital to 566,604,602.00 yuan and changing the business scope to sales of mineral gold products and investment and management in the mining industry and other industries where investment is allowed by the state."

On January 28, 2015, the China Securities Regulatory Commission issued the "Reply on Approving Chifeng Jilong Gold Mining Co., Ltd. to Issue Shares to Tan Xiongyu and Others to Purchase Assets and Raise Supporting Funds" (China Securities Regulatory Commission [2015] No. 134), and approved the Company to to issue 114,016,786 shares to Tan Xiongyua nd others to purchase assets, and non-public

issuance of no more than 41,925,465 new shares to raise supporting funds for the issuance of shares to purchase assets.

On February 12, 2015, the Company completed the share registration procedures for issuing a total of 114,016,786 shares to Tan Xiongyu and others to purchase assets at Zhongdeng Shanghai Branch. The total number of shares after the change was 680,621,388 shares.

On March 18, 2015, the Company completed the share registration procedures for issuing a total of 32,569,360 shares to Shenzhen Qianhai Qilin Xinlong Investment Enterprise (Limited Partnership) and China Merchants Fund Management Co., Ltd. to raise supporting funds at Zhongdeng Company Shanghai Branch. The total number of shares after the change is 713,190,748 shares.

On June 17, 2015, the Inner Mongolia Autonomous Region Administration for Industry and Commerce completed the industrial and commercial change registration procedures for increasing the registered capital, and the registered capital of the Company was changed to RMB 713,190,748.00.

On October 11, 2017, the Company's first extraordinary general meeting of shareholders in 2017 reviewed and approved the 2017 interim profit distribution plan. Based on the Company's total share capital on the equity registration day when the distribution plan was implemented, the capital reserve was converted into 10 shares for every 10 shares held by all shareholders. A total of 713,190,748 shares were converted. After the conversion, the Company's total share capital increased to 1,426,381,496 shares. On October 25, 2017, the Company went through the industrial and commercial change registration procedures for increasing the registered capital with the Administration for Industry and Commerce of the Inner Mongolia Autonomous Region, and the Company's registered capital was changed to RMB 1,426,381,496.00.

According to the resolution of the Company's first extraordinary general meeting of shareholders in 2019 held on May 31, 2019, and on October 28, 2019, the China Securities Regulatory Commission granted "Approval of Chifeng Jilong Gold Mining Co., Ltd. to issue to Zhao Meiguang and others Shares to Purchase Assets and Raise Supporting Funds (Zhengjian Xuke [2019] No. 2020), the Company was approved to issue a total of 128,787,878 shares to Zhao Meiguang and others to purchase assets, and the non-public issuance of shares to raise supporting funds no more than 510 million yuan.

On November 12, 2019, the Company completed the new share registration procedures for issuing a total of 128,787,878 shares to Zhao Meiguang and others to purchase assets at Zhongdeng Shanghai Branch. .

On January 22, 2020, the Company handled the registration procedure for issuance of shares to Yinhua Fund Management Co., Ltd., Inner Mongolia Financial Assets Management Co., Ltd., and Jiubaba (Jinan) Investment Partnership (Limited Partnership) at Zhongdeng Shanghai Branch to raise supporting funds. The total number of shares issued this time is 108,742,004 shares, the total number of shares after such issuance is 1,663,911,378 shares, and the share capital is 1,663,911,378.00 yuan.

The registered address of the Company is Fumin Village, Sidaowanzi Town, Aohan Banner, Chifeng City, Inner Mongolia Autonomous Region, and the office address is located at No. 7 Xiaojingjia, Wanfeng Road, Fengtai District, Beijing.



The Company and its subsidiaries (collectively referred to as the "Group") are mainly engaged in the mining and processing of gold and non-ferrous metals and the comprehensive recycling and utilization of resources. The main products are gold, electrolytic copper and other precious metals and non-ferrous metals.

This financial statement has been approved for publication by the board of directors of the Company on August 18, 2023.

## 2. Scope of consolidated financial statements

Applicable  Non-applicable

For details of the Group's subsidiaries included in the scope of consolidation as of June 30, 2023, please refer to Note IX "Equity in Other Entities". For details of the consolidation scope of the Group in this year, please refer to Note VIII "Changes in the Consolidation Scope".

# IV、Basis of Preparation of Financial Statements

## 1. Preparation basis

The financial statements are prepared in accordance with the "Accounting Standards for Business Enterprises - Basic Standards" promulgated by the Ministry of Finance and the specific accounting standards, application guidelines, interpretations and other relevant regulations promulgated and revised thereafter (collectively referred to as "Accounting Standards for Business Enterprises").

The financial statements are prepared on the basis of continuous operation.

When preparing the financial statements, except for some financial instruments, the historical cost is used as the pricing principle. If assets are impaired, corresponding impairment provisions shall be accrued in accordance with relevant regulations.

## 2. Going concern

Applicable  Non-applicable

The Group has been able to continue as a going concern for at least 12 months since the end of the reporting period, and there is no major event that affects the ability to continue to operate.

# V、Significant accounting policies and accounting estimates

Reminders for specific accounting policies and accounting estimates:

Applicable  Non-applicable

The Group has formulated specific accounting policies and accounting estimates based on actual production and operation characteristics, which are mainly reflected in depreciation of fixed assets, amortization of intangible assets, revenue recognition and measurement, etc.

### 1. Statement of Compliance with Accounting Standards for Business Enterprises

The financial statements prepared by the Company comply with the requirements of the Accounting Standards for Business Enterprises, and truly and completely reflect the Company's financial status, operating results, changes in shareholders' equity and cash flow and other relevant information.

### 2. Accounting period

The accounting period of the Group is divided into annual and interim. Interim accounting refers to the reporting period shorter than a complete accounting year. The accounting year of the Group adopts the Gregorian calendar year, that is, from January 1 to December 31 every year.

### 3. business cycle

Applicable  Non-applicable

The normal operating cycle refers to the period from the purchase of assets for processing by the Group to the realization of cash or cash equivalents. The Group takes 12 months as a business cycle, and uses it as the standard for dividing the liquidity of assets and liabilities.

### 4. Reporting currency

Renminbi is the currency in the main economic environment in which the Company and its domestic subsidiaries operate, and the Company and its domestic subsidiaries use Renminbi as the functional currency for bookkeeping. The Company's overseas subsidiaries use the US dollar as their functional currency according to the currency in the main economic environment in which they operate. The currency used by the Group to prepare the financial statements is Renminbi.

### 5. Accounting treatment methods for business combination under common control and non-common control

Applicable  Non-applicable

Business combinations are divided into business combinations involving enterprises under common control and business combinations not involving enterprises under common control.

#### **Business combination under common control**

Enterprises participating in the combination are subject to the ultimate control of the same party or the same parties before and after the combination, and the control is not temporary, which is a business combination under the same control.

The assets and liabilities acquired by the merging party in the business combination under the same control (including the goodwill formed by the acquisition of the merged party by the ultimate controlling party) shall be subject to relevant accounting treatment based on the book value in the financial statements of the ultimate controlling party on the merger date. The difference between the book value of the net assets obtained by the merging party and the book value of the merger consideration paid (or the total face value of the issued shares) shall be adjusted to the capital premium in the capital reserve, and if it is insufficient to offset, the retained earnings shall be adjusted.

**Business combination not under common control**

If the enterprises participating in the merger are not ultimately controlled by the same party or the same parties before and after the merger, it is a business merger under non-common control.

The identifiable assets, liabilities and contingent liabilities of the acquiree acquired in a business combination not under common control are measured at fair value on the date of acquisition. If the sum of the fair value of the merger consideration paid (or the fair value of the issued equity securities) and the fair value of the equity of the acquiree held before the acquisition date is greater than the share of the fair value of the acquiree's identifiable net assets obtained in the merger, the difference is recognized as goodwill and subsequently measured at cost less accumulated impairment losses. If the sum of the fair value of the consideration paid for the merger (or the fair value of the issued equity securities) and the fair value of the equity of the acquiree held before the purchase date is less than the share of the fair value of the identifiable net assets of the acquiree obtained in the merger, the fair value of each identifiable assets, liabilities and contingent liabilities acquired by the acquired party, the fair value of the merger consideration paid (or the fair value of the issued equity securities) and the acquired assets held before the acquisition date shall be reviewed. After the review, if the sum of the fair value of the merger consideration paid (or the fair value of the issued equity securities) and the fair value of the acquired party's equity held before the purchase date is still less than the fair value of the share of the acquired party's identifiable net assets obtained in the merger, the difference shall be included in the current profit and loss.

**6. Preparation of Consolidated Financial Statements**

Applicable  Non-applicable

The scope of consolidation of consolidated financial statements is determined on the basis of control, including the financial statements of the Company and all subsidiaries. Subsidiaries refers to entities controlled by the Company (including enterprises, divisible parts of investee units, and structured entities controlled by the Company, etc.).

When preparing consolidated financial statements, the subsidiary adopts the same accounting year and accounting policies as the Company. All assets, liabilities, equity, income, expenses and cash flows arising from transactions between companies within the Group are eliminated in full on consolidation.

If the current loss shared by the minority shareholders of the subsidiary exceeds the share enjoyed by the minority shareholders in the owner's equity of the subsidiary at the beginning of the period, the balance still offsets the minority shareholders' equity.

For a subsidiary acquired through a business combination not involving enterprises under common control, the operating results and cash flows of the acquiree shall be included in the consolidated financial statements from the day the Group obtains control until the Group terminates its control. When preparing consolidated financial statements, the financial statements of subsidiaries are adjusted on the basis of the fair value of each identifiable asset, liability and contingent liability determined on the purchase date.

For a subsidiary acquired through a business combination under the same control, the operating results and cash flows of the merged party shall be included in the consolidated financial statements from

the beginning of the current period of combination. When preparing comparative consolidated financial statements, adjustments are made to the relevant items of the previous financial statements, as if the reporting entity formed after the merger has always existed since the ultimate controller began to implement control.

If changes in relevant facts and circumstances lead to changes in one or more elements of control, the Group reassesses whether it controls the investee.

### **7. Classification of joint arrangements and accounting treatment of joint operations**

Applicable  Non-applicable

A joint arrangement refers to an arrangement under the joint control of two or more parties. According to the rights enjoyed and obligations undertaken in the joint arrangement, the Group divides the joint arrangement into joint operation and joint venture. A joint operation refers to a joint arrangement in which the Group enjoys the assets related to the arrangement and assumes the liabilities related to the arrangement. A joint venture refers to a joint arrangement in which the Group only has rights to the net assets of the arrangement.

The Group's investment in joint ventures is accounted for using the equity method, and is handled in accordance with the accounting policies described in Note V. 14 "Long-term equity investment" and "Long-term equity investment accounted for using the equity method".

As a joint venture party, the Group recognizes the assets held by the Group alone, the liabilities assumed by the Group alone, and the assets jointly held and liabilities jointly assumed by the Group according to the share of the Group; the income generated by the sale of the output from the joint operation according to its share; the income generated by the joint operation from the sale of output according to the group's share; the expenses incurred by the Group alone, and the expenses incurred by the joint operation according to the group's share.

When the Group, as one party to a joint operation, invests in or sells assets to a joint operation (such assets do not constitute a business; the same applies hereinafter) or purchases assets from a joint operation, the Group recognizes only the portion of the gain or loss arising from the transaction that is attributable to the other participants in the joint operation until such assets are sold to a third party. In the event of an impairment loss on such assets in accordance with the provisions of "ASBE No. 8 - Impairment of Assets", etc., the Group recognizes the full amount of the loss in the event that the Group invests in or sells the assets to a jointly-controlled entity, and recognizes the Group's share of the loss in the event that the Group purchases the assets from a jointly-controlled entity..

### **8. Determination criteria for cash and cash equivalents**

Cash equivalents refers to investments held by the enterprise with a short term (generally due within three months from the date of purchase), strong liquidity, easy conversion into known amounts of cash, and little risk of value change.

## 9. Foreign currency business and translation of foreign currency statements

Applicable  Non-Applicable

For foreign currency transactions, the Group converts the foreign currency into the bookkeeping currency.

When a foreign currency transaction is initially confirmed, the foreign currency amount is converted into the functional currency amount at the spot exchange rate on the transaction date. On the balance sheet date, foreign currency monetary items are converted at the spot exchange rate on the balance sheet date. The resulting settlement and conversion differences of monetary items are included in the current profit and loss, except for the differences arising from special foreign currency loans related to the purchase and construction of assets eligible for capitalization, which are handled in accordance with the principle of capitalization of borrowing costs. Foreign currency non-monetary items measured at historical cost are still converted at the spot exchange rate on the transaction date, and the amount in the functional currency is not changed. Foreign currency non-monetary items measured at fair value shall be converted at the spot exchange rate on the day when the fair value is determined, and the resulting difference shall be included in current profit or loss or other comprehensive income according to the nature of the non-monetary items.

For overseas operations, the Group converts its functional currency into RMB when preparing the financial statements: the assets and liabilities items in the balance sheet are converted at the spot exchange rate on the balance sheet date, and the shareholders' equity items except "undistributed Except for the "profit" item, other items shall be converted at the spot exchange rate at the time of occurrence; the income and expense items in the income statement shall be converted at the current average exchange rate of the transaction (unless exchange rate fluctuations make the conversion at this exchange rate inappropriate, the spot exchange rate on the transaction date shall be used) Exchange rate conversion) conversion. The translation difference of foreign currency financial statements arising from the above translation shall be recognized as other comprehensive income. When disposing of an overseas operation, other comprehensive income related to the overseas operation shall be transferred to the current profit and loss of the disposal, and the partial disposal shall be calculated according to the disposal ratio.

Foreign currency cash flows and cash flows of overseas subsidiaries are converted using the average exchange rate for the period in which the cash flows occur (unless exchange rate fluctuations make the exchange rate inappropriate, the spot exchange rate on the day the cash flows occur) is used for conversion. The impact of exchange rate changes on cash is treated as a reconciling item and presented separately in the cash flow statement.

## 10. Financial tool

Applicable  Non-applicable

Financial instruments refers to contracts that form the financial assets of an enterprise and form the financial liabilities or equity instruments of other entities.

### Recognition and derecognition of financial instruments

The Group recognizes a financial asset or financial liability when it becomes a party to a financial

instrument contract.

A financial asset (or a part of a financial asset, or a part of a group of similar financial assets) is derecognized if the following conditions are met, that is, it is written off from its account and balance sheet:

- (1) The right to receive cash flows from financial assets expires;
- (2) Transfers the right to receive the cash flow of the financial asset, or undertakes the obligation to pay the cash flow received in full to a third party in a timely manner under a "pass-through agreement"; and (a) substantially transfers almost all the risks and rewards of the ownership of the financial asset, or (b) relinquishes control of the financial asset while neither substantially transferring nor retaining substantially all the risks and rewards of ownership of the financial asset.

A financial liability is derecognised when the obligation for the financial liability has been satisfied, canceled or expired. If an existing financial liability is replaced by another financial liability from the same creditor with substantially different terms, or the terms of an existing liability are substantially modified in its entirety, such replacement or modification is regarded as derecognition of the original liability and recognition of the new financial liability, and the difference is included in the current profit and loss.

The purchase and sale of financial assets in a conventional manner is recognized and derecognized on a transaction date basis. The conventional way of buying and selling financial assets refers to receiving or delivering financial assets within the time limit stipulated by regulations or common practice in accordance with the terms of the contract. The transaction date refers to the date on which the Group commits to buy or sell financial assets.

#### **Classification and Measurement of Financial Assets**

The financial assets of the Group are classified according to the business model of the Group's business management of financial assets and the contractual cash flow characteristics of financial assets at initial recognition: financial assets measured at amortized cost, and financial assets measured at fair value and whose changes are included in current profit and loss. If and only when the Group changes its business model for managing financial assets, all affected financial assets will be reclassified.

Financial assets are measured at fair value at the time of initial recognition, but accounts receivable arising from the sale of goods or provision of services, etc.that do not include a significant financing component or do not consider a financing component not exceeding one year, and are initially measured at the transaction price.

For financial assets measured at fair value and whose changes are included in current profit and loss, relevant transaction costs are directly included in current profit and loss, and related transaction costs for other types of financial assets are included in their initial recognition amount.

The subsequent measurement of a financial asset depends on its classification:

Investments in debt instruments measured at amortized cost

Financial assets that meet the following conditions at the same time are classified as financial assets measured at amortized cost: the business model for managing the financial asset is to collect contractual cash flows; the contract terms of the financial asset stipulate that the cash flow generated on a specific

date is for the payment of principal and interest on the principal amount outstanding only. The interest income of such financial assets is recognized using the effective interest rate method, and the gains or losses arising from derecognition, modification or impairment are included in the current profit and loss.

Financial assets measured at fair value whose changes are include in the profit or loss

Financial assets other than financial assets measured at amortized cost and financial assets at fair value whose changes are included in other comprehensive incomes are classified as financial assets at fair value whose changes are included in the current profit or loss. For such financial assets, fair value is used for subsequent measurement. Except for hedge accounting, all changes in fair value are included in current profit and loss.

#### **Classification and measurement of financial liabilities**

The Group's financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, and financial liabilities at amortized cost. For financial liabilities at fair value through profit or loss, the related transaction costs are recognized directly in profit or loss, and for financial liabilities at amortized cost, the related transaction costs are included in their initial recognition amounts..

Subsequent measurement of financial liabilities depends on their classification:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading (including derivatives that are financial liabilities) and financial liabilities designated at fair value through profit or loss on initial recognition. Financial liabilities held for trading (including derivatives that are financial liabilities) are subsequently measured at fair value, with all changes in fair value recognized in profit or loss except those relating to hedge accounting. For financial liabilities designated as at fair value through profit or loss, subsequent measurement is performed at fair value, and all changes in fair value are recognized in profit or loss, except for changes in fair value attributable to changes in the Group's own credit risk, which are recognized in other comprehensive income; if changes in fair value attributable to changes in the Group's own credit risk, which are recognized in other comprehensive income, would result in or magnify accounting mismatches in profit or loss, the Group would have all of its financial liabilities recognized in other comprehensive income, and all of them would be recognized in profit or loss, except in relation to hedge accounting. If the inclusion of changes in fair value in other comprehensive income due to changes in the Group's own credit risk would create or enlarge an accounting mismatch in profit or loss, the Group recognizes all changes in fair value (including the amount of the effect of changes in the Group's own credit risk) in profit or loss.

Financial liabilities measured at amortized cost

For such financial liabilities, the effective interest rate method is used for subsequent measurement at amortized cost.

#### **Impairment of financial instruments**

The Group impairs financial assets measured at amortized cost on the basis of expected credit losses and recognizes a loss provision.

For receivables without significant financing components, the Group applies the simplified



measurement method to measure the loss provision at an amount equal to the expected credit losses over the entire duration.

For financial assets other than those with the simplified measurement method mentioned above, the Group assesses at each balance sheet date whether the credit risk has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition and is in the first stage, the Group measures the provision for loss at an amount equal to the expected credit losses in the next 12 months and calculates interest income based on the carrying amount and effective interest rate; if credit risk has increased significantly since initial recognition but credit impairment has not yet occurred, in the second stage, the Group measures the allowance for losses at an amount equal to the expected credit losses over the entire duration and calculates interest income on the basis of the carrying amount and the effective interest rate; if credit impairment occurs after initial recognition, in the third stage, the Group measures the allowance for losses at an amount equal to the expected credit losses over the entire duration and calculates interest income on the basis of the amortized cost. loss allowance and calculates interest income based on amortized cost and the effective interest rate. For financial instruments with only low credit risk at the balance sheet date, the Group assumes that the credit risk has not increased significantly since initial recognition.

The Group assesses the expected credit losses of financial instruments based on individual and portfolio. The Group assesses expected credit losses on receivables, etc. on the basis of ageing portfolios, taking into account the credit risk characteristics of different customers.

The Group's approach to measuring expected credit losses on financial instruments reflects factors such as an unbiased probability-weighted average amount determined by evaluating a range of possible outcomes, the time value of money, and reasonable and substantiated information about past events, current conditions and forecasts of future economic conditions that is available at the balance sheet date without undue additional cost or effort.

When the Group no longer has a reasonable expectation of recovering all or part of the contractual cash flows from a financial asset, the Group directly writes down the carrying amount of the financial asset.

#### Derivative financial instruments

The Group uses derivative financial instruments, such as foreign exchange forward contracts and commodity futures contracts, to hedge exchange rate risk and commodity price risk, respectively. Derivative financial instruments are initially measured at fair value at the date the derivative transaction contract is entered into and subsequently measured at their fair value. A derivative financial instrument with a positive fair value is recognized as an asset and a negative fair value is recognized as a liability. Gains or losses arising from changes in the fair value of derivatives are recognized directly in profit or loss, except in relation to hedge accounting



### accounts receivable

#### Determination method and accounting treatment method of expected credit loss of accounts receivable

Applicable  Non-applicable

Provision for losses on measurement of expected credit loss amounts.

For accounts receivable, contract assets and lease receivables that contain significant financing components, the Group chooses to always measure the loss provision at an amount equivalent to the expected credit loss during the duration.

In addition to the accounts receivable whose credit risk is evaluated individually, they are divided into different combinations based on their credit risk characteristics:

Items	The basis for determining the combination
accounts receivable:	
Combination based on age	The combination uses the age of accounts receivable as the credit risk feature.
Overseas Client combination	This combination is the accounts receivable from overseas customers.
related party combination	This combination is related current funds within the scope of consolidation.

### other receivables

#### Determination method and accounting treatment method of expected credit loss of other receivables

Applicable  Non-applicable

Based on whether the credit risk of other receivables has increased significantly since the initial recognition, the Group uses an amount equivalent to the expected credit loss within the next 12 months or the entire duration to measure the impairment loss. Except for other receivables whose credit risk is evaluated individually, they are divided into different groups based on their credit risk characteristics:

Item	The basis for determining the combination
Combination based on age	This portfolio includes all kinds of deposits, advances on behalf of customers, warranty deposits and other receivables that should be collected in daily activities, and the aging of other receivables is used as the credit risk feature.
related party combination	This combination is the receivables from related units within the scope of consolidation.

Item	The basis for determining the combination
government receivables	This combination is the receivables from government agencies and departments with clear documents or evidence support.

## Inventory

Applicable  Non-applicable

Inventories include raw materials, work in progress, commodities in stock, turnover materials, and consignment commodities.

Inventories are initially measured at cost. Inventory costs include purchase costs, processing costs and other costs. If inventory is issued, its actual cost is determined by weighted average method. Turnover materials include low-value consumables and packaging materials, etc. Except for mining vehicles, which are amortized according to the five-to-five amortization method when they are used, other low-value consumables and packaging materials are amortized using the one-time write-off method.

The inventory system of inventory adopts the perpetual inventory system.

On the balance sheet date, inventories are measured at the lower of cost and net realizable value. If the cost is higher than the net realizable value, a provision for inventory decline in value is made and included in the current profit and loss. Net realizable value refers to the estimated selling price of inventories in daily activities minus the estimated costs to be incurred until completion, estimated sales expenses and relevant taxes. For inventories with a large quantity and low unit price, provision for inventory depreciation shall be made according to the inventory category; for inventories related to product series produced and sold in the same region, with the same or similar end use or purpose, and difficult to measure separately from other items, provision for inventory decline can be accrued on a consolidated basis.

## Long-term equity investment

Applicable  Non-applicable

Long-term equity investment includes equity investment in subsidiaries and associates.

Long-term equity investment is initially measured at the initial investment cost when it is acquired. For a long-term equity investment acquired through a business combination under common control, the initial investment cost is the share of the book value of the shareholders' equity of the merged party obtained on the merger date in the consolidated financial statements of the ultimate controlling party; the difference between the initial investment cost and the book value of the merger consideration should be reflected through the adjustment of the capital reserve (if it is not enough to offset, the retained earnings should be used to offset); other comprehensive income before the merger date is accounted for upon disposal of the investment using the same basis as that for direct disposal of related assets or liabilities by

the investee Shareholders' equity recognized as a result of changes in the investee's shareholders' equity other than net profit or loss, other comprehensive income, and profit appropriation is transferred to the current period's profit or loss when the investment is disposed of; of which, a proportionate amount is carried forward for those that will remain as long-term equity investments after the disposal, and the full amount is carried forward for those that will be converted to financial instruments after the disposal. For long-term equity investments acquired through business mergers not under common control, the initial investment cost is the merger cost, which includes the sum of the assets paid by the purchaser, liabilities incurred or assumed, and the fair value of equity securities issued. Other comprehensive income recognized by the equity method prior to the date of purchase is accounted for on the same basis as the investee's direct disposal of related assets or liabilities when disposing of the investment. Shareholders' equity recognized as a result of changes in shareholders' equity other than profit distribution shall be transferred to current profit or loss when the investment is disposed of; among which, long-term equity investments that are still long-term equity investments after disposal shall be carried forward in proportion, and those that are converted into financial instruments after disposal shall be carried forward in full amount. For long-term equity investments acquired by means other than long-term equity investments formed by business combinations, the initial investment cost shall be determined in accordance with the following methods: if acquired by paying cash, the actual purchase price paid and expenses directly related to the acquisition of long-term equity investments, taxes and other necessary expenditures shall be taken as the initial investment cost; if acquired through the issuance of equity securities, the fair value of the issued equity securities shall be taken as the initial investment cost.

The long-term equity investment that the Company can exercise control over the investee shall be accounted for using the cost method in the Company's individual financial statements. Control refers to having power over the investee, enjoying variable returns through participation in the relevant activities of the investee, and having the ability to use the power over the investee to affect the amount of returns.

When the cost method is adopted, the long-term equity investment is valued at the initial investment cost. For additional or withdrawal of investment, the cost of long-term equity investment shall be adjusted. The cash dividends or profits declared by the investee shall be recognized as investment income for the current period.

Where the Group has joint control or significant influence over the investee, long-term equity investments are accounted for using the equity method. Joint control refers to the shared control of an arrangement in accordance with the relevant agreement, and the relevant activities of the arrangement must be unanimously agreed by the parties sharing the control right before decisions can be made. Significant influence refers to the right to participate in the decision-making of the financial and operating policies of the invested entity, but cannot control or jointly control the formulation of these policies with other parties.

When the equity method is adopted, if the initial investment cost of the long-term equity investment is greater than the share of the fair value of the investee's identifiable net assets that should be enjoyed at the time of investment, it shall be included in the initial investment cost of the long-term equity investment;

If it enjoys the share of the fair value of the identifiable net assets of the invested unit, the difference is included in the current profit and loss, and the cost of the long-term equity investment is adjusted at the same time.

When the equity method is adopted, after the long-term equity investment is obtained, the investment profit and loss and other comprehensive income shall be recognized respectively and the book value of the long-term equity investment shall be adjusted according to the share of the net profit or loss and other comprehensive income realized by the investee that shall be enjoyed or shared. When confirming the share of the net profit or loss of the investee, the fair value of the identifiable assets of the investee when the investment is obtained shall be used as the base value, and in accordance with the accounting policies and accounting periods of the Group, to offset the profit or loss due to internal transactions with associates and joint ventures attributed to the investor in accordance with the proportion that should be enjoyed (however, if the internal transaction loss is an asset impairment loss, it shall be recognized in full), and the net profit of the investee shall be adjusted and recognized, except for where the investment or asset sold constitute a business. The book value of the long-term equity investment shall be correspondingly reduced according to the portion of the profits or cash dividends declared by the investee to be distributed. The Group recognizes the net loss of the investee, but the book value of the long-term equity investment and other long-term interests that substantially constitute the net investment in the investee are reduced to zero, except that the Group has the obligation to bear additional losses. For changes in shareholders' equity other than net profit or loss, other comprehensive income and profit distribution of the investee, the book value of the long-term equity investment is adjusted and included in shareholders' equity.

For the disposal of long-term equity investment, the difference between its book value and the actual acquisition price shall be included in the current profit and loss. For long-term equity investments accounted for using the equity method, if the equity method is terminated due to disposal, the relevant other comprehensive income accounted for by the original equity method shall be accounted for on the same basis as the investee's direct disposal of related assets or liabilities. Shareholders' equity recognized for changes in other shareholder's equity other than profit and loss, other comprehensive income and profit distribution of the investee shall be transferred to current profit or loss; if the equity method is still adopted, the relevant other comprehensive income accounted for by the original equity method shall be accounted using the same basis as the investee to directly dispose of related assets or liabilities and transferred to current profit and loss in proportion. Shareholders' equity recognized due to changes in shareholders' equity other than net profit or loss, other comprehensive income and profit distribution of the investee is transferred to current profit and loss in a corresponding proportion. .

## fixed assets

### (1) Confirmation conditions

Applicable  Non-applicable

Fixed assets are only recognized when the economic benefits related to them are likely to flow into the Group and their costs can be measured reliably. Subsequent expenditures related to fixed assets, if

they meet the recognition conditions, shall be included in the cost of fixed assets, and the book value of the replaced part shall be derecognized; otherwise, they shall be included in the current profit and loss when incurred.

Fixed assets are initially measured at cost, taking into account the impact of estimated disposal costs. The cost of purchasing fixed assets includes the purchase price, relevant taxes and fees, and other expenditures that are directly attributable to the asset before the fixed asset reaches the intended usable state.

**(2) Depreciation method**

Applicable  Non-applicable

Except for the one-time depreciation of fixed assets formed by using the withdrawn safety production fees, the rest of the fixed assets are depreciated using the workload method or the straight-line method. The service life, estimated net salvage value rate and annual depreciation rate of various fixed assets that are depreciated using the straight-line method are as follows:

category	depreciation method	Depreciation period (years)	Salvage value rate	Annual depreciation rate
houses and buildings	Straight line Method	20	5%	4.75%
mechanical equipment		5-10	5%	9.50%-19.00%
Transportation Equipment		5-10	5%	9.50%-19.00%
Electronic equipment and others		3-5	5%	19.00%-31.67%

At least at the end of each year, the Group reviews the service life, estimated net salvage value and depreciation method of fixed assets, and makes adjustments when necessary.

**(3) Basis for identification, valuation and depreciation methods of fixed assets under financing lease**

Applicable  Non-applicable

**Construction in progress**

Applicable  Non-applicable

The cost of a construction in progress is determined according to the actual project expenditure, including various necessary project expenditures during the construction period, borrowing costs that should be capitalized before the project reaches the intended usable state, and other related expenses.

Construction in progress is transferred to fixed assets or intangible assets when it reaches the intended usable state.

### Borrowing costs

Applicable  Non-applicable

The borrowing costs that can be directly attributable to the acquisition, construction or production of assets eligible for capitalization are capitalized, and other borrowing costs are included in the current profit and loss. Assets eligible for capitalization refers to assets such as fixed assets, investment real estate and inventories that require a long period of purchase, construction or production activities to reach the intended usable or salable state.

Borrowing costs can only be capitalized if the following conditions are met at the same time:

- (1) Asset expenditure has already occurred;
- (2) Borrowing costs have already been incurred;
- (3) The purchase, construction or production activities necessary to make the asset reach the intended usable or marketable state have started.

Capitalization of borrowing costs stops when the purchased, constructed or produced assets that meet the capitalization conditions reach the intended usable or salable state. Subsequent borrowing costs are included in current profit and loss.

During the capitalization period, the capitalized amount of interest in each accounting period shall be determined according to the following methods:

- (1) The special loan shall be determined by the actual interest expense incurred in the current period, minus the temporary deposit interest income or investment income;
- (2) Occupied general borrowings are calculated and determined by multiplying the weighted average of asset expenditures of the accumulated asset expenditures exceeding the special borrowings by the weighted average interest rate of the occupied general borrowings.

Capitalization of borrowing costs shall be suspended if, during the acquisition, construction or production process of an asset eligible for capitalization, there is an abnormal interruption other than the procedures necessary to reach the intended usable or marketable state, and the interruption lasts for more than 3 months. Borrowing expenses incurred during the interruption period are recognized as expenses and included in the current profit and loss until the acquisition and construction of assets or production activities resume.

### right-of-use asset

Applicable  Non-applicable

On the commencement date of the lease term, the Group recognizes its right to use the leased asset during the lease term as a right-of-use asset, which is initially measured at cost. The cost of the right-of-use asset includes: the initial measurement amount of the lease liability; the lease payment paid on or before the commencement date of the lease term, if there is a lease incentive, deducting the relevant amount of the lease incentive already enjoyed; the initial direct costs incurred by the lessee; The

estimated cost of dismantling and removing the leased asset, restoring the site where the leased asset is located, or restoring the leased asset to the state stipulated in the lease terms. If the Group remeasures the lease liability due to changes in the lease payment, the book value of the right-of-use asset shall be adjusted accordingly. The Group subsequently adopts the straight-line method to depreciate the right-of-use assets. If it can be reasonably determined that the ownership of the leased asset will be acquired when the lease term expires, the Group shall accrue depreciation over the remaining useful life of the leased asset. If it is not reasonably certain that the ownership of the leased asset can be obtained when the lease term expires, the Group shall accrue depreciation over the shorter period between the lease term and the remaining useful life of the leased asset.

## intangible assets

### (1) Valuation method, service life, impairment test

Applicable  Non-applicable

Intangible assets are recognized only when the economic benefits related to them are likely to flow into the Group and their cost can be measured reliably, and are initially measured at cost. However, if the fair value of an intangible asset acquired in a business combination not under the common control can be reliably measured, it shall be recognized separately as an intangible asset and measured at its fair value.

The service life of intangible assets is determined according to the period in which they can bring economic benefits to the Group, and the intangible assets with indefinite service life that cannot be foreseen to bring economic benefits to the Group.

The amortization of mining rights adopts the workload method, and the prospecting right is not amortized before mining, and is amortized according to the workload method after being transferred to the mining right. The amortization of other intangible assets is averagely amortized according to their service life using the straight-line method. The estimated service life of each intangible asset is as follows:

Category	service life
Land use rights	20-50 years
Trademark	10 years
Patent	10-14.75 years
Forest land use rights	55 years
other intangible assets	7-12 years

The land use rights obtained by the Group are usually accounted for as intangible assets. Self-developed and constructed factories and other buildings and their associated land use rights and buildings are accounted for as fixed assets and intangible assets respectively. The price paid for purchased land and buildings shall be allocated between the land use rights and buildings, and if it is difficult to allocate reasonably, all of them shall be treated as fixed assets.



Intangible assets with limited service life are amortized using the straight-line method or the workload method within their service life. At least at the end of each year, the Group shall review the service life and amortization method of intangible assets with limited service life, and make adjustments if necessary.

Exploration expenditures include geological survey, exploratory drilling, and trenching and sampling activities related to technical and commercial development feasibility studies of prospecting rights at the surrounding area or deep area of the current deposit or newly acquired prospecting rights. Exploration expenditures incurred after it can be reasonably determined that the mine can be used for commercial production can be capitalized, included in the intangible asset mining right after obtaining the mining permit, and amortized according to the workload method. If any project is abandoned during the development stage or is productive exploration, the total expenditure thereof will be written off and charged to current expenses.

## **(2) Accounting policies for internal research and development expenditures**

Applicable  Non-applicable

The Group divides expenditures on internal research and development projects into expenditures in the research phase and expenditures in the development phase. Expenditures in the research stage are included in the current profit and loss when incurred. Expenditures in the development phase can be capitalized only when the following conditions are met at the same time: it is technically feasible to complete the intangible asset so that it can be used or sold; there is an intention to complete the intangible asset and use or sell it; the way intangible assets generate economic benefits, including the ability to prove that there is a market for the product produced by using the intangible asset or the intangible asset itself. If the intangible asset will be used internally, its usefulness can be proven; there are sufficient technical, financial resources and other support to complete the development of the intangible asset and there is the capacity to use or sell the intangible asset; the expenditure attributable to the development stage of the intangible asset can be reliably measured. Development expenditures that do not meet the above conditions are included in the current profit and loss when incurred.

## **asset impairment**

Applicable  Non-applicable

The impairment of assets other than inventories, deferred income tax, financial assets and assets held for sale shall be determined by the following method: on the balance sheet date, it is estimated whether there is any sign of possible impairment of the asset. If there is, the Group will give an estimated recoverable amount and carry out impairment test; for goodwill formed due to business combination, intangible assets with uncertain service life and intangible assets that have not yet reached a usable state, no matter whether there is any sign of impairment, an impairment test shall be performed at the end of the year.

The recoverable amount is determined based on the higher of the net amount of the asset's fair value less disposal costs and the present value of the estimated future cash flow of the asset. The Group estimates



the recoverable amount on the basis of a single asset; if it is difficult to estimate the recoverable amount of a single asset, the recoverable amount of the asset group is determined on the basis of the asset group to which the asset belongs. The determination of an asset group is based on whether the main cash inflows generated by the asset group are independent of the cash inflows of other assets or asset groups.

When the recoverable amount of an asset or asset group is lower than its book value, the Group will write down its book value to the recoverable amount, and the reduced amount will be included in the current profit and loss, and the corresponding asset impairment provision will be made at the same time.

As far as the impairment test of goodwill is concerned, the book value of goodwill formed due to business combination shall be apportioned to relevant asset groups in a reasonable way from the date of purchase; if it is difficult to apportion to relevant asset groups, it shall be apportioned to related asset group combinations. The relevant asset group or asset group combination is an asset group or asset group combination that can benefit from the synergistic effect of a business combination, and is not larger than the reporting segment determined by the Group.

When conducting impairment tests on relevant asset groups or combinations of asset groups that contain goodwill, if there is any sign of impairment in the asset groups or combination of asset groups related to goodwill, the asset group or combination of asset groups that does not contain goodwill shall be tested first to calculate the recoverable amount and confirm the corresponding impairment loss. Then impairment tests should be carried out on the asset group or combination of asset groups containing goodwill to compare its book value with the recoverable amount. If the recoverable amount is lower than the book value, the amount of impairment loss shall first be offset and apportioned to the book value of the goodwill in the asset group or combination of asset groups. The book value of other assets in the asset group or combination of asset groups other than goodwill shall be reduced in proportion.

Once asset impairment loss mentioned above is confirmed, it will not be reversed in the future accounting period.

### Long-term prepaid expenses

Applicable  Non-applicable

Long-term prepaid expenses refer to various expenses that have occurred but should be borne by the reporting period and subsequent periods with an amortization period of more than one year. The Group's long-term prepaid expenses mainly include handling expense for mining licenses, house decoration expenses and service fees. Long-term prepaid expenses are amortized on a straight-line basis during the expected benefit period.

### contract liabilities

#### Method of Recognition of Contract Liabilities

Applicable  Non-applicable

The Group presents contract assets or contract liabilities in the balance sheet according to the relationship between performance obligations and customer payments.

Contract liabilities refers to the obligation to transfer goods or services to customers after receiving or receivable consideration from customers, such as the payment that the enterprise has received before transferring the promised goods or services.

### Employee's remuneration

Employee remuneration refers to various forms of remuneration or compensation other than share-based payment given by the Group to obtain services provided by employees or terminate labor relations. Employee remuneration includes short-term remuneration, post-employment benefits, dismissal benefits and other long-term employee benefits. The benefits provided by the Group to employees' spouses, children, dependents, family members of the deceased employees and other beneficiaries are also employee remuneration.

#### (1) Accounting treatment method for short-term remuneration

Applicable  Non-applicable

During the accounting period when employees provide services, the actual short-term remuneration shall be recognized as liabilities and included in the current profit and loss or related asset costs.

#### (2) Accounting treatment method for post-employment benefits

Applicable  Non-applicable

The Group's employees participate in pension insurance and unemployment insurance managed by the local government, and the corresponding expenditures are included in the cost of relevant assets or current profit and loss when incurred.

#### (3) Accounting treatment method for dismissal benefits

Applicable  Non-applicable

If the Group provides dismissal benefits to employees, the employee salary liabilities arising from the dismissal benefits shall be recognized on the earlier of the following two dates and included in the current profit and loss: when the enterprise cannot unilaterally withdraw the dismissal benefits provided due to the termination of labor relationship plans or layoff proposals; When the enterprise recognizes costs or expenses associated with restructuring involving the payment of termination benefits.

The internal retirement plan for employees is handled based on the same principle as the above-mentioned dismissal benefits. The Group will include the salaries and social insurance premiums to be paid to early retirees during the period from the employee's cessation of service to the normal retirement date in the current profit and loss (termination benefits) when they meet the conditions for the recognition of estimated liabilities.

#### (4) Accounting treatment methods for other long-term employee benefits

Applicable  Non-applicable

### lease liability

Applicable  Non-applicable

On the commencement date of the lease term, the Group recognizes the present value of the unpaid lease payments as lease liabilities, except for short-term leases and leases of low-value assets. Lease payments include fixed payments and in-substance fixed payments less lease incentives, variable lease payments that depend on an index or rate, payments expected to be made based on residual value guarantees as well as the exercise price of a purchase option or the payment required to exercise the option to terminate the lease, provided that the Group is reasonably certain that the such option will be exercised or the lease term reflects that the Group will exercise the option to terminate the lease.

When calculating the present value of lease payments, the Group adopts the lease implicit interest rate as the discount rate; if the lease implicit interest rate cannot be determined, the lessee's incremental borrowing rate is adopted as the discount rate. The Group calculates the interest expense of the lease liability during each period of the lease term at a fixed periodic interest rate, and includes it in the current profit and loss, unless it is otherwise stipulated that it is included in the cost of the relevant asset. Variable lease payments that are not included in the measurement of lease liabilities are included in the current profit and loss when they actually occur, unless otherwise stipulated to be included in the cost of related assets.

After the commencement date of the lease term, the Group increases the carrying amount of the lease liability when recognizing interest, and decreases the carrying amount of the lease liability when paying the lease payment. When there is a change in the actual fixed payment, a change in the estimated payable amount of the residual value of the guarantee, a change in the index or ratio used to determine the lease payment, or a change in the evaluation result or execution of the purchase option, the renewal option or the termination option, the Group remeasures the lease liability according to the present value of the changed lease payment.

### Estimated liabilities

Applicable  Non-applicable

Except for the contingent consideration and contingent liabilities assumed in the business combination not under the common control, when the obligations related to the contingent events meet the following conditions at the same time, the Group will recognize them as estimated liabilities:

- (1) The obligation is a current obligation undertaken by the Group;
- (2) The performance of this obligation is likely to result in the outflow of economic benefits from the Group;
- (3) The amount of the obligation can be reliably measured.

Estimated liabilities are initially measured based on the best estimate of the expenditure required to fulfill the relevant current obligations, and factors such as risks, uncertainties, and time value of money related to contingencies are comprehensively considered. The book value of estimated liabilities shall be reviewed on each balance sheet date. If there is conclusive evidence that the book value cannot reflect the current best estimate, the book value shall be adjusted according to the current best estimate.

The contingent liabilities of the acquiree obtained in the business combination not under the common control are measured at fair value at the time of initial recognition, after initial recognition, at the amount recognized at the estimated liability, and the cumulative amortization amount determined after deducting the revenue recognition principle from the initially recognized amount. The subsequent balance shall be subsequently measured with the higher of the two.

### Share payment

Applicable  Non-applicable

Share payment is divided into share payment settled by equity and share payment settled by cash. Share payment settled by equity refers to a transaction in which the Group settles with shares or other equity instruments as consideration for obtaining services.

If share payment settled by equity is made for services provided by employees, it shall be measured at the fair value of the equity instruments granted to employees. If the right is exercisable immediately after the grant, the fair value will be included in the relevant costs or expenses on the grant date, and the capital reserve will be increased accordingly; if the right is only exercisable after completing the service during the waiting period or meeting the specified performance conditions, at each balance sheet date during the waiting period, based on the best estimate of the number of equity instruments that will become exercisable, the services acquired during the period are recognized in the relevant cost or expense at the fair value at the date of grant, with a corresponding increase in the capital reserve. The fair value of equity instruments is determined using the binomial model (or other appropriate pricing model).

No costs or expenses are recognized for share payments that cannot be exercised due to failure to meet non-market conditions and/or service term conditions. The share payment agreement stipulates market conditions or non-exercising conditions. At this time, regardless of whether the market conditions or non-exercising conditions are met, if all other performance conditions and/or service period conditions are met, it is deemed to be eligible for exercising rights.

If the terms of the share payment by equity are modified, at least the services obtained shall be recognized in accordance with the conditions of the unmodified terms. In addition, the increase in the fair value of the equity instruments granted, or the changes that are beneficial to the employees on the date of modification, shall be recognized as the increase in services obtained.

If the share payment by equity is cancelled, it will be treated as accelerated exercise of right on the date of cancellation, and the unconfirmed amount will be recognized immediately. If employees or other parties can choose to meet the exercise conditions but fail to meet them within the waiting period, it will be treated as cancellation of share payment by equity. However, if a new equity instrument is granted and it is determined on the date of grant of the new equity instrument that the granted new equity instrument is used to replace the canceled equity instrument, the same method as the modification of the terms and conditions of the original equity instrument shall be applied to the treatment of the granted alternative equity instruments.

Share payments by cash are measured at the fair value of liabilities assumed by the Group based on shares or other equity instruments. The binomial model (or other appropriate pricing model) is initially used to measure the fair value at the date of grant, taking into account the terms and conditions of the grant of equity instruments. If the right is exercisable immediately after the grant, the fair value of the liabilities assumed shall be included in the relevant costs or expenses on the grant date, and the liabilities shall be increased accordingly; if the right is only exercisable after completing the service during the waiting period or meeting the specified performance conditions, each asset during the waiting period shall be exercisable. On the balance sheet date, based on the best estimate of the exercisable rights, and according to the fair value of the assumed liabilities, the services obtained in the current period are included in the relevant costs or expenses, and the corresponding liabilities are increased. On each balance sheet date and settlement date before the relevant liabilities are settled, the fair value of the liabilities is remeasured, and the changes are included in the current profit and loss.

## Revenue

### (1) Accounting policies adopted for revenue recognition and measurement

Applicable  Non-applicable

The Group recognizes revenue when the performance obligation in the contract is fulfilled, that is, when the customer obtains control over the relevant goods or services. Obtaining the right to control the relevant goods or services refers to being able to direct the use of the goods or the provision of the services and obtain almost all the economic benefits therefrom.

The details of the Group's revenue recognition are as follows:

#### Sales contract

Contracts for the sale of goods between the Group and customers generally contain only performance obligations for the transferred goods. The Group usually recognizes revenue at the point in time when the control of the goods is transferred on the basis of comprehensive consideration of the following factors: the acquisition of the current right to receive payments for the goods, the transfer of the main risks and rewards of ownership of the goods, the transfer of the legal ownership of the goods, the transfer of physical assets, acceptance of the goods by the customer.

#### Metal stream business

Golden Star Resources Ltd. ("GSR"), a subsidiary acquired by the Group in 2022, has a metal streaming business. Under this business arrangement, GSR obtained a sum of money in advance, and in exchange, the counterparty can obtain a certain percentage of deliverable gold produced by the mine specified in the arrangement during the entire life cycle. The counterparty, during the delivery period in the future as agreed in the contract, only needs to pay an additional payment at a relatively low proportion of the market price when GSR delivers the goods. The prepayment received by GSR is considered as part of the prepayment paid by the counterparty for the future uncertain but predictable goods, which is recognized as a contract liability when received. Each unit of goods delivered represents a separate performance obligation and revenue is recognized when control of the goods is transferred.

Considering that the performance of the delivery obligation runs through the entire life cycle of the mine, the above contract liabilities are considered to have a significant financing component. In addition, since the quantity of all delivered goods available to the counterparty depends on the metal mining reserves throughout the life cycle of the mine, the management will regularly assess the changes in the mine's overall metal reserves and planned mining reserves, and accordingly evaluate the reserves confirmed during the historical period. Income and financing expenses are adjusted in the current period of change, see Note VII. 22.

#### **Significant financing component**

If there is a significant financing component in the contract, the Group determines the transaction price based on the amount payable in cash assuming that the customer delivers payment as it obtains the control of the goods or services, and uses the discount method that converts the nominal amount of the contract consideration into the current selling price of the goods or services. With reference to the interest rate applicable to separate financing transactions, the difference between the determined transaction price and the consideration amount promised in the contract is amortized using the actual interest rate method within the contract period. If the interval between the customer's acquisition of control over the goods or services and the customer's payment is expected to be less than one year, the Group does not consider the significant financing component in the contract.

#### **Variable consideration**

In the metal streaming business of the Group, the quantity of all delivered goods available to the counterparty depends on the metal mining reserves throughout the life cycle of the mine and the market price at the time of future delivery. Therefore, the price allocated to each unit of delivered goods is considered to be variable. When the estimated overall metal reserves and planned mining reserves of the mine change, it is necessary to recalculate the price per unit of delivered goods, and adjust the revenue and financing expenses recognized in the historical period according to the updated price in the current period of change. The Group determines the best estimate of the variable consideration according to the expected value, but the transaction price including the variable consideration does not exceed the amount that the accumulated recognized revenue is unlikely to be significantly reversed when the relevant uncertainties are eliminated.

#### **Service contract**

The service provision contract between the Group and its customers usually includes the performance obligation of dismantling waste electrical and electronic equipment. The Group recognizes the fund subsidy income by multiplying the type and quantity of dismantled waste electrical and electronic products by the corresponding fund subsidy standard.

#### **(2) Differences in accounting policies for revenue recognition due to the adoption of different business models for similar businesses**

Applicable Non-applicable

**government subsidy**

Applicable  Non-applicable

A government subsidy is recognized when it can meet the conditions attached to it and can be received. If the government subsidy is a monetary asset, it shall be measured at the amount received or receivable. If the government subsidy is a non-monetary asset, it shall be measured at its fair value; if the fair value cannot be reliably obtained, it shall be measured at its nominal amount.

Government subsidies that are stipulated in government documents to be used for the purchase, construction or other formation of long-term assets are accounted for as asset-related government subsidies; if the government documents are unclear, they are judged on the basis of the basic conditions that must be met in order to obtain the subsidies, and those that are based on the basic conditions of the purchase, construction or other formation of long-term assets are accounted for as asset-related government subsidies, while those that are based on the basic conditions of the purchase, construction or other formation of long-term assets are accounted for as revenue-related government subsidies. The Group's government subsidies are accounted for using the aggregate method.

If the government subsidy related to income is used to compensate the relevant costs or losses in the subsequent period, it shall be recognized as deferred income, and shall be included in the current profit or loss or offset the relevant costs during the period when the relevant costs or losses are confirmed; If the subsidies are used to compensate the relevant costs or losses that occurred, they shall be directly included in the current profit and loss or offset the relevant costs.

Government subsidies related to assets are either offset against the carrying amount of the related assets or recognized as deferred income and recognized in profit or loss in a reasonable and systematic manner over the useful life of the related assets (except for government subsidies measured at nominal amounts, which are recognized directly in profit or loss in the current period), and the balance of the unallocated deferred income is transferred to profit or loss in the period of disposal of the assets if the related assets are sold, transferred, retired or destroyed before their useful life expires.

**Deferred income tax assets/deferred income tax liabilities**

Applicable  Non-applicable

The Group provides for deferred income taxes using the balance sheet liability method on temporary differences between the carrying amounts and tax bases of assets and liabilities at the balance sheet date and on temporary differences arising from differences between the carrying amounts and tax bases of items that are not recognized as assets and liabilities but whose tax bases can be determined in accordance with the provisions of the tax laws.

Deferred income tax liabilities are recognized for all kinds of taxable temporary differences accordingly. Unless:

(1) the taxable temporary difference arises from the initial recognition of goodwill or the initial recognition of an asset or liability arising from a transaction that has the following characteristics: the



transaction is not a business combination and the transaction affects neither the accounting profit nor taxable income or deductible losses at the time of its occurrence;

(2) For taxable temporary differences associated with investments in subsidiaries, joint ventures and associates, the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

For deductible temporary differences, deductible losses and tax credits that can be carried forward to future years, the Group recognizes deferred income tax assets arising therefrom to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, deductible losses and tax credits can be utilized, unless:

(1) the deductible temporary difference arises from a transaction that is not a business combination and does not affect either accounting profit or taxable income or deductible losses at the time the transaction occurs;

(2) For deductible temporary differences associated with investments in subsidiaries, joint ventures and associates, corresponding deferred income tax assets are recognized if the following conditions are simultaneously met: it is probable that the temporary differences will reverse in the foreseeable future and it is probable that taxable income will be available against which the deductible temporary differences can be utilized in the future.

The Group's deferred tax assets and deferred tax liabilities at the balance sheet date are measured at the tax rates that are expected to apply in the period in which the asset is expected to be recovered or the liability settled, in accordance with the tax laws, and reflect the income tax effects of the manner in which the asset is expected to be recovered or the liability settled at the balance sheet date.

At the balance sheet date, the Group reviews the carrying amount of deferred tax assets and writes down the carrying amount of deferred tax assets to the extent that it is more likely than not that sufficient taxable income will not be available to allow the benefit of the deferred tax assets to be realized in future periods. At the balance sheet date, the Group reassesses unrecognized deferred tax assets and recognizes deferred tax assets to the extent that it is more likely than not that sufficient taxable income will be available to allow all or part of the deferred tax assets to reverse.

Deferred tax assets and deferred tax liabilities are stated at net amounts after offsetting when the following conditions are simultaneously met: there is a legally enforceable right to settle current income tax assets and current income tax liabilities on a net basis; the deferred tax assets and deferred tax liabilities are related to income taxes levied by the same tax authority on the same taxable entity or on different taxable entities, but are each material in the future. Deferred tax assets and deferred tax liabilities are recognized in the period in which the taxable entity intends to settle current income tax assets and current income tax liabilities on a net basis or to acquire assets and settle liabilities simultaneously.



**lease****(1) Accounting treatment method for operating leases**

Applicable Non-applicable

**(2) Accounting treatment method of finance lease**

Applicable Non-applicable

**(3) Determination method and accounting treatment method of lease under the new lease standard**

Applicable Non-applicable

On the inception date of the contract, the Group assesses whether the contract is a lease or contains a lease. If one party in the contract transfers the right to control the use of one or more identified assets within a certain period in exchange for consideration, the contract is a lease or contains a lease.

**as lessee**

Except for short-term leases and leases of low-value assets, the Group recognizes right-of-use assets and lease liabilities for leases. For the accounting treatment, please refers to Note V.18 and Note V.24.

**Short-term leases and leases of low-value assets**

The Group recognizes leases with a lease term of no more than 12 months on the commencement date of the lease term and without a purchase option as short-term leases; leases with a value of no more than RMB 50,000 when the single leased asset is a new asset are recognized as low-value asset leases . If the Group subleases or expects to sublease leased assets, the original lease is not recognized as a low-value asset lease. During each period of the lease term, it is included in the relevant asset cost or current profit and loss according to the straight-line method.

**Sale and leaseback transactions**

The Group evaluates and determines whether the asset transfer in the sale and leaseback transaction is a sale according to Note V. 27.

**as lessee**

If the transfer of assets in a sale-and-leaseback transaction is a sale, the Group, as the lessee, measures the right-of-use assets formed by the sale-and-leaseback based on the part of the book value of the original asset related to the right-to-use obtained from the leaseback, and only accounts for the assets transferred to The lessor's right to recognize relevant gains or losses; if the asset transfer in a sale-and-leaseback transaction is not a sale, the Group, as the lessee, will continue to recognize the transferred asset and at the same time recognize a financial liability equal to the transfer income, and such financial liability shall be treated in the accounting in accordance with Note V. 10.

**Other important accounting policies and accounting estimates**

Applicable Non-applicable

**(1) Share repurchase**

The consideration and transaction costs paid for the repurchase of its own equity instruments reduce shareholders' equity. In addition to share payments, the issuance (including refinancing), repurchase, sale or cancellation of its own equity instruments shall be treated as changes in equity.

**(2) Production safety fee**

The production safety expenses accrued in accordance with the regulations shall be included in the cost of related products or the current profit and loss, and shall be included in the special reserve at the same time; when used, it shall be treated separately according to whether it forms a fixed asset: if it is an expense expenditure, it shall be directly written off the special reserve; if it is formed as a fixed asset, the expenditures incurred shall be aggregated and recognized when it reaches the intended usable state, and at the same time, the equivalent amount of the special reserve shall be written off and the equivalent accumulated depreciation shall be recognized.

**(3) Fair value measurement**

The Group measures derivative financial instruments and equity instrument investments at fair value on each balance sheet date. Fair value refers to the price that can be received by selling an asset or paid for transferring a liability in an orderly transaction between market participants on the measurement date.

For assets and liabilities measured or disclosed at fair value in the financial statements, the fair value level to which they belong is determined according to the lowest level of input value that is important to the fair value measurement as a whole: the first level of input value is the unadjusted quoted price of the same asset or liability that can be obtained on the measurement date in an active market; the second-level input value is the directly or indirectly observable input value of the relevant asset or liability other than the first-level input value; the third-level input value is the unobservable input value of the relevant asset or liability.

On each balance sheet date, the Group reassesses the assets and liabilities that are continuously measured at fair value recognized in the financial statements to determine whether there is a conversion between the fair value measurement levels.

**(4) Related parties**

Where one party controls or jointly controls the other party or exerts significant influence over the other party, and two or more parties are controlled or jointly controlled by one party, they constitute related parties. Related parties can be individuals or businesses. Enterprises that are only controlled by the state and do not have other related-party relationships do not constitute related parties of the Company and its subsidiaries. Related parties of the Company and its subsidiaries include but are not limited to:

- ① The parent company of the Company;
- ② Subsidiaries of the Company;
- ③ Other enterprises controlled by the same parent company of the Company;
- ④ Investors who exercise joint control or significant influence on the Company and its subsidiaries;

- ⑤ Enterprises or individuals that are under the same control or joint control with the Company and its subsidiaries
- ⑥ Joint ventures of the Company and its subsidiaries, including subsidiaries of joint ventures;
- ⑦ Associated enterprises of the Company and its subsidiaries, including subsidiaries of the associated enterprises;
- ⑧ The main investors of the Company and its subsidiaries and their close family members
- ⑨ Key management personnel of the Company and its subsidiaries and their close family members;
- ⑩ Key management personnel of the parent company of the Company;
- ⑪ Family members who are closely related to the key management personnel of the parent company of the Company;
- ⑫ Other enterprises controlled or jointly controlled by the main investor individuals, key management personnel or close family members of the Company and its subsidiaries.

In addition to the above-mentioned related parties identified of the Company and its subsidiaries in accordance with the relevant requirements of the Accounting Standards for Business Enterprises, the following companies or individuals (including but not limited to) are also related parties of the Company and its subsidiaries:

- ⑬ Enterprises or persons acting in concert that hold more than 5% of the Company's shares;
- ⑭ Individuals who directly or indirectly hold more than 5% of the Company's shares and their close family members; Supervisors of the listed Company and their close family members;
- ⑮ In the past 12 months or according to relevant agreement arrangements in the next 12 months, the enterprises that have one of the above ① , ③ and ⑬ situations;
- ⑯ In the past 12 months or according to relevant agreements within the next 12 months, individuals who have one of the ⑨ , ⑩ and ⑭ situations ;
- ⑰ Enterprises other than the Company and its holding subsidiaries that are directly or indirectly controlled by ⑨ , ⑩ , ⑭ and ⑮ , or individuals serving as directors or senior managers of such enterprises.

### Changes in important accounting policies and accounting estimates

#### (1) Changes in important accounting policies

Applicable  Non-applicable

#### (2) Changes in important accounting estimates

Applicable  Non-applicable

#### (3) From 2023, the first implementation of the new accounting standards or interpretation of the standards will involve adjustments to the financial statements at the beginning of the first implementation year

Applicable  Non-applicable

**others**

√ Applicable    □ Non-applicable

**Significant accounting judgments and estimates**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and their disclosures, as well as the disclosure of contingent liabilities at the balance sheet date. The results of uncertainties in these assumptions and estimates may result in material adjustments to the carrying amounts of assets or liabilities affected in the future.

**Judgements**

In the process of applying the Group's accounting policies, management has made the following judgments that have a significant impact on the amounts recognized in the financial statements:

*corporate income tax*

As the Group has not completed the final settlement and payment of corporate income tax before the reporting date, the corporate income tax accrued by the Group during the reporting period is an objective estimate based on existing tax laws and other relevant tax policies. After the final settlement and payment of the enterprise income tax is completed, if there is a difference with the original income tax provision, the Group will include the difference in the income tax expenses during the period when the difference is discovered.

*business model*

The classification of financial assets at the time of initial recognition depends on the Group's business model for managing financial assets. When judging the business model, the Group considers the way the Company evaluates and reports the performance of financial assets to key management personnel, the risks that affect the performance of financial assets and its management method and the method of remuneration for relevant business managers, etc. When evaluating whether to collect contractual cash flow as the goal, the Group needs to analyze and make judgement on the reason, time, frequency and value of the sale of financial assets before the maturity date.

*Contractual Cash Flow Characteristics*

The classification of a financial asset at initial recognition depends on the contractual cash flow characteristics of the financial asset, which requires judgment as to whether the contractual cash flows consist solely of payments of principal and interest on the principal outstanding, and includes an assessment of revisions to the time value of money, which requires judgment as to whether there is a significant difference in comparison with the base cash flows..

**estimate uncertainty**

The following key assumptions about the future as at the balance sheet date and other key sources of estimation uncertainty may result in significant adjustments to the carrying amounts of assets and liabilities in future accounting periods.

*Impairment of financial instruments*

The Group uses the expected credit loss model to assess the impairment of financial instruments. The application of the expected credit loss model requires significant judgment and estimation, and all reasonable and evidence-based information, including forward-looking information, must be considered. When making these judgments and estimates, the Group infers the expected changes in the debtor's credit risk based on historical repayment data combined with economic policies, macroeconomic indicators, industry risks and other factors. Different estimates may affect the withdrawal of impairment reserves, and the accrued impairment reserves may not be equal to the actual amount of future impairment losses.

*Impairment of non-current assets other than financial assets (other than goodwill)*

On the balance sheet date, the Group judges whether there is any sign of possible impairment of non-current assets other than financial assets. For other non-current assets other than financial assets, when there is an indication that the carrying amount is irrecoverable, impairment testing is performed. When the book value of an asset or asset group is higher than the recoverable amount, that is, the higher of the net amount of the fair value minus the disposal costs and the present value of the expected future cash flow, it indicates that an impairment has occurred. The net amount of the fair value minus the disposal expenses shall be determined by referring to the sales agreement price of similar assets in an arm's length transaction or the observable market price, minus the incremental cost directly attributable to the disposal of the asset. When estimating the present value of future cash flow, the management must estimate the expected future cash flow of the asset or asset group, and choose an appropriate discount rate to determine the present value of future cash flow.

*Goodwill impairment*

The Group tests goodwill for impairment at least annually. This requires estimating the present value of the future cash flows of the asset group or combination of asset groups to which the goodwill is allocated. When estimating the present value of future cash flows, the Group needs to estimate the cash flows generated by future asset groups or combinations of asset groups, and at the same time select an appropriate discount rate to determine the present value of future cash flows. See Note VII. 18 for details.

*exploration expenditure*

After determining the amount of capitalization, the Group will evaluate the exploration results on a regular basis. If the geological exploration report after review indicates that there are no prospecting results, or no economically recoverable reserves, or the economic benefits of mining cannot be achieved due to low grade and difficult mining and there is no need for further exploration, the previously incurred exploration and development costs will be expensed and included in the current profit and loss at one time.

*Proved reserves*

Proved mine reserves are generally estimates made based on knowledge, experience and industry practice. Generally, the estimate of proven mine reserves based on exploration and extrapolation cannot be very accurate, and this estimation may need to be updated after new technologies or information are acquired. This update of estimates may affect the amount of amortization of mine structures, mining rights that adopt the workload method, the stripping ratio used when stripping costs are capitalized, and the transaction price per unit of metal in the metal streaming business. This may lead to changes in the development and operation plan of the Group, which may affect the operation and performance of the Group.

*Deferred income tax assets*

To the extent that there is likely to be sufficient taxable income to offset the deductible losses, deferred income tax assets should be recognized for all unused deductible losses. This requires the management to use a lot of judgment to estimate the time and amount of future taxable income, combined with tax planning strategies, to determine the amount of deferred income tax assets that should be recognized.

*Mine Environmental Restoration Reserve*

According to the requirements of the relevant government departments where the mines are located, the Group makes provision for mine environment restoration for the local mines. The provision is calculated based on the estimate of mine life, mine closure time and environmental restoration costs that need to be incurred during mine closure. Changes in this estimate may affect the Group's operations and performance.

*Lessee's Incremental Borrowing Rate*

For leases where the interest rate implicit in the lease cannot be determined, the Group uses the lessee's incremental borrowing rate as the discount rate to calculate the present value of the lease payments. When determining the incremental borrowing rate, the Group takes the observable interest rate as the reference basis for determining the incremental borrowing rate according to the economic environment. The reference interest rate is adjusted for the specific circumstances of the leasing business to obtain the applicable incremental borrowing rate.

## VI、tax

### 1. Main tax types and tax rates

Main tax types and tax rates

Applicable  Non-applicable

Tax varieties	tax rate
VAT	The output tax is calculated by applying a tax rate of 13%, 9% or 6% to the taxable income, and the value-added tax is calculated and paid according to the

	difference after deducting the input tax allowed to be deducted in the current period; VAT that is supposed to be paid by small-scale taxpayers should be 3% of the taxable income.
Urban maintenance and construction tax	Calculate and pay according to 7%, 5% and 1% of the actual turnover tax paid.
corporate income tax	The income tax is 25% of the taxable income. Please refer to the table below for the corporate income tax rates of taxpayers not calculated and paid at the rate of 25% of the taxable income.
Resource tax	Domestic gold mineral products are levied at 4% ad valorem; Laos gold mines and electrolytic copper are levied at 4.5% ad valorem; Ghana gold mines are levied at 5% ad valorem; mines with zinc as the main mineral: 5% ad valorem; molybdenum: 11% or 8% ad valorem.
town land tax	It is calculated and paid according to the annual tax standard per square meter of the actually occupied land area.

If there are taxpayers with different corporate income tax rates, the disclosure of explanations shall be made.

Applicable  Non-applicable

Taxable entity	Income tax rate (%)
Golden Star Resources	26.5%
Golden Star Wassa	35%
LXML	33.33%
Chijin Hong Kong	16.5%
Hanfeng Mining	15%
Wulong Mining	15%
Jilong Mining	15%
Huanchuang New Materials	12.5%
Chijin Geological Survey	20%

### Tax incentives

Applicable  Non-applicable

1. According to the Caishui [2002] No. 142 "Notice on Gold Tax Policy Issues" from Ministry of Finance and the State Administration of Taxation, "Gold production companies and businesses engaged in selling gold (excluding the following varieties: the fineness is AU9999, AU9995, AU999, AU995; the specification is 50 grams, 100 grams, 1 kilogram, 3 kilograms, 12.5 kilograms of gold, hereinafter



referred to as "standard gold") and gold ore (including associated gold), are exempt from value-added tax". Our subsidiaries Jilong Mining, Huatai Mining, and Wulong Mining enjoy the benefits of this policy.

2. According to Article 27 of the "Enterprise Income Tax Law", Article 88 of the "Regulations for the Implementation of the Enterprise Income Tax Law", provisions in Caishui (2009) No. 166, eligible environmental protection, energy saving, water saving and domestic waste disposal service projects enjoy "three-year exemption and three-year half reduction" preferential policy of income tax. Subsidiary Hefei Huanchuang has enjoyed benefits from this policy since 2018, specifically: "income tax exemption in 2018, 2019, and 2020, halved income tax in 2021, 2022, and 2023."

3. According to the "Letter on Adjusting the Standards of Urban Land Use Tax in Hefei City" (Hezhengbanmi [2008] No. 48), starting from January 1, 2017, the annual tax amount standard of urban land use tax levels in urban areas of Anhui was adjusted, and the subsidiary Guangyuan Technology adjusted the annual tax amount of all the land in the economic development zone from 10 yuan/m<sup>2</sup> to 5 yuan/m<sup>2</sup>.

4. In addition to enjoying value-added tax exemption for export business, according to the Circular No. 2001 issued by the Ministry of Finance of Laos to LXML suppliers in June 2017, the types of value-added tax-exempt transactions are clearly stated. From May 15, 2017, the suppliers specified in the notice will no longer collect value-added tax from LXML, and at the same time, the preferential policy that LXML's value-added tax credit can be deducted from corporate income tax will no longer prevail.

5. According to the Announcement No. 23 "Announcement on Continuing the Income Tax Policy for Enterprises in the Western Development" made in 2020 by the Ministry of Finance, the State Administration of Taxation, and the National Development and Reform Commission, from January 1, 2021 to December 31, 2030, enterprises engaged in the encouraged category of business in the western region are subject to a reduced corporate income tax rate of 15%, and the subsidiary Hanfeng Mining is qualified for this policy.

6. The subsidiary Wulong Mining obtained the high-tech enterprise certificate issued in December 2020, valid for three years. According to Article 93 of the "Regulations for the Implementation of the Enterprise Income Tax Law of the People's Republic of China" and "The Circular on Issues Concerning Preferential Income Tax for High-tech Enterprises (Guo Shui Han [2009] No. 203)", the corporate income tax for 2020-2022 shall be levied at a rate of 15%. As of the disclosure date of this report, the certification of high-tech enterprises of Wulong Mining is in progress.

7. Subsidiary Jilong Mining has obtained a high-tech enterprise certificate issued in November 2020, which is valid for three years. The Notice on Issues Concerning Preferential Income Tax for High-tech Enterprises (Guo Shui Han [2009] No. 203) and other documents stipulate that the corporate income tax for 2020-2022 shall be levied at a rate of 15%. As of the disclosure date of this report, the certification of high-tech enterprises in Jilong Mining is in progress.



## VII、Notes to Consolidated Financial Statements Items

### (1)、Monetary funds

Applicable  Non-applicable

Unit: Yuan Currency: RMB

items	Ending balance	Opening Balance
cash in stock	624,277.26	644,479.43
Bank deposit	1,091,010,819.51	1,051,900,027.07
Other monetary fund	331,279,059.88	232,560,622.86
total	1,422,914,156.65	1,285,105,129.36
Including: total amount deposited overseas	474,110,700.31	361,162,339.11

Other explanation:

As of June 30, 2023, the Group's monetary funds with restricted right of use amounted to RMB 331,279,059.88, which was shown in "Other monetary funds". Among them, the Company's bank guarantee deposited with China Merchants Bank for borrowing business amounted to RMB13,965,000.00; Jilong Mining deposited RMB2,623,122.57 in the special account of the Mine Geological Environment Treatment and Restoration Fund with China Construction Bank, RMB110,000,973.31 in Standard Chartered Bank for gold leasing business, RMB80,002,083.50 in Everbright Bank for a one-year term from August 24, 2022 to August 24, 2023 with an annualized interest rate of 1.95%; the bank guarantee deposited with CITIC Bank for gold leasing business amounted to RMB100,000,000.00; Huatai Mining deposited RMB514,133.73 in the special account for mining geological environment treatment and restoration fund with Construction Bank; Wulong Mining deposited RMB3,225,899.93 in the special account of the Mining Geological Environment Treatment and Restoration Fund with Dandong Bank; Hanfeng Mining deposited RMB20,947,846.84 into the special account of the Mining Geological Environment Treatment and Restoration Fund with China Construction Bank.

### (2)、Tradable financial assets

Applicable  Non-Applicable

Unit: Yuan Currency: RMB

Items	Ending balance	Opening Balance
Financial assets measured at fair value with its changes included in the profit or loss	17,196,736.40	48,714,831.32
Among which:		
derivative financial assets		584,200.00

Equity instrument investment	17,196,736.40	48,130,631.32
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**(3)、 accounts receivable**

**1. Disclosure by age**

√ Applicable  Non-applicable

**Unit: Yuan Currency :RMB**

aging	Closing book balance
within 1 year	
Among them: sub-items within 1 year	
1-6 months	153,664,266.93
Subtotal within 1 year	153,664,266.93
1 to 2 years	76,889,115.00
2 to 3 years	67,447,730.00
over 3 years	158,737,825.28
total	456,738,937.21

Explanation: Except for Guangyuan Technology, other companies that sell major metals such as gold, copper, zinc and electrolytic copper usually have an account receivable credit period within 60 days. There is no fixed credit period for dismantling funds from the Ministry of Environment, and accounts receivable do not bear interest.

2. Disclosure by classification of provision for bad debts

√ Applicable □ Non-applicable

Unit: Yuan Currency: RMB

category	Ending balance					Opening Balance				
	Book balance		Bad debt provision		book value	Book balance		Bad debt provision		book value
	the amount	Proportion (%)	the amount	Accrual ratio (%)		the amount	Proportion (%)	the amount	Accrual ratio (%)	
Provision for bad debts by single item	381,889,106.00	83.54			381,889,106.00	339,237,136.00	91.85			339,237,136.00
Provision for bad debts by portfolio	74,849,831.21	16.39	23,634.25	0.03	74,826,196.96	30,097,505.05	8.15	460,461.27	1.50	29,637,043.78
Among which:										
Aging group	472,685.00	0.10	23,634.25	5.00	449,050.75	9,209,225.40	2.49	460,461.27	5.00	8,748,764.13
Overseas Client group	74,377,146.21	16.28			74,377,146.21	20,888,279.65	5.66			20,888,279.65
total	456,738,937.21	/	23,634.25	/	456,715,302.96	369,334,641.05	/	460,461.27	/	368,874,179.78

Provision for bad debts by single item:

Applicable  Non-applicable

Unit: Yuan  
Currency :RMB

name	Ending balance			Provision reason
	Book balance	Bad debt provision	Accrual ratio (%)	
Ministry of Ecology and Environment of the People's Republic of China	381,889,106.00			Receivables from the government, the government's credit rating is high, the risk of default is small, and no provision for bad debts is made
total	381,889,106.00			/

Explanation on accrual of bad debt provision by single item:

Applicable  Non-applicable

Provision for bad debts by combination:

Applicable  Non-applicable

Accrual items by combination: age combination

Unit: Yuan Currency:  
RMB

name	Ending balance		
	accounts receivable	Bad debt provision	Accrual ratio (%)
within 1 year	472,685.00	23,634.25	5
1 to 2 years			30
2 to 3 years			50
over 3 years			100
total	472,685.00	23,634.25	

Recognition standards and explanations for accruing bad debts by combination:

Applicable  Non-applicable

If the provision for bad debts is made according to the general model of expected credit losses, please refers to the disclosure of other receivables:  Applicable  Non-applicable

**Provision for bad debts**

Applicable  Non-applicable

Unit: Yuan Currency: RMB

category	Opening Balance	Amount of change in the current period			Ending balance
		Provision	recovered or reversed	Write-off other changes	
Aging combination	460,461.27	23,634.25	460,461.27		23,634.25
total	460,461.27	23,634.25	460,461.27		23,634.25

Among them, the recoverable or reversed amount of bad debt provision in the current period is important:

Applicable Non-applicable

**Accounts receivable actually written off in the current period**

Applicable Non-applicable

**Top five ending balances of accounts receivables by debtors**

Applicable Non-applicable

Unit: Yuan Currency: RMB

Company name	Ending balance	Proportion to the ending balance of accounts receivable (%)	Closing balance of provision for bad debts
Ministry of Ecology and Environment of the People's Republic of China	381,889,106.00	83.62	
Rand Refinery	43,358,891.91	9.49	
ABC Refinery	12,907,678.13	2.83	
Trafigura Pte Ltd	12,255,297.71	2.68	
Engineers & Planners	2,887,306.91	0.63	
total	453,298,280.66	99.25	

**Accounts receivable derecognized due to transfer of financial assets**

Applicable Non-applicable

**The amount of assets and liabilities formed by transferring accounts receivable and continuing involvement**

Applicable Non-applicable

#### (4) Prepayments

##### 1. Prepayments listed by aging

√ Applicable  Non-applicable

Unit: Yuan Currency: RMB

aging	Ending balance		Opening Balance	
	the amount	Proportion(%)	the amount	Proportion(%)
within 1 year	136,122,704.54	100.00	98,915,728.47	99.35
1 to 2 years			644,579.21	0.65
total	136,122,704.54	100.00	99,560,307.68	100.00

##### Top five prepayments with closing balances, grouped by prepayment recipients

√ Applicable  Non-applicable

Unit: Currency: RMB

Company name	Ending balance	Proportion to the closing balance of accounts paid in advance (%)
Shaanxi Huaxin Construction Engineering Co., Ltd. Dandong Branch	43,026,599.28	31.61
SANDVIK MINING AND CONST	12,959,705.91	9.52
Dzata Cement Limited	6,958,445.40	5.11
Yongxing County Duxin Precious Metals Co., Ltd.	4,162,151.13	3.06
FELUWA PUMPS AUSTRALIA PTY LTD	3,305,516.92	2.43
total	70,412,418.64	51.73

#### (5) Other receivables

##### Items list

√ Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Ending balance	Opening Balance
interest receivable	1,102,436.24	
other receivables	122,062,875.70	53,448,273.07
total	123,165,311.94	53,448,273.07

**interest receivable**

**1. Classification of interest receivable**

√ Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Ending balance	Opening Balance
Term deposit	1,102,436.24	
total	1,102,436.24	

**other receivables**

**1. Disclosure by age**

√ Applicable  Non-applicable

Unit: Yuan Currency: RMB

aging	Closing book balance
within 1 year	
Among them: sub-items within 1 year	
1-6 months	116,136,719.12
Subtotal within 1 year	116,136,719.12
1 to 2 years	2,056,775.96
2 to 3 years	7,003,756.65
over 3 years	2,574,599.26
total	127,771,850.99

**2. Classification by nature of payment**

√ Applicable  Non-applicable

Unit: Yuan Currency: RMB

Nature of payment	Closing book balance	Opening book balance
Security deposit and deposit	50,084,927.59	8,222,501.48
personal transaction payment details	864,127.67	14,653,031.18
Company transaction payment details	54,385,376.46	32,167,777.80
Employee borrowings and petty cash	8,078,913.34	1,393,424.76
Insurance claims	1,701,939.23	255,580.09
others	12,656,566.70	895,866.90

total	127,771,850.99	57,588,182.21
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**3. Provision for bad debts**

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Bad debt provision	The first stage	The second stage	The third phase	total
	Expected credit losses in the next 12 months	Expected credit losses throughout the lifetime (no credit impairment occurred)	Expected credit loss throughout the lifetime (credit impairment has occurred)	
balance on January 1, 2023	4,139,909.14			4,139,909.14
balance on January 1, 2023 in current period				
-- transfer into the second stage				
-- transfer into the third stage				
-- transfer back to the second stage				
-- transfer back to the first stage				
Accrual for this period	2,414,398.59			2,414,398.59
Transfer back in this period	845,332.44			845,332.44
Charge-off in this period				
Write off in this period				
other changes				
balance on June 30, 2023	5,708,975.29			5,708,975.29

Explanation on the significant changes in the book balance of other receivables with changes in loss provisions in the current period:

Applicable  Non-applicable

Basis for accruing bad debt provision for the current period and assessing whether the credit risk of financial instruments has increased significantly:



Applicable Non-applicable

**4. Provision for bad debts**

Applicable Non-applicable

Unit: Yuan Currency: RMB

category	Opening Balance	Amount of change in the current period			Ending balance
		Provision	recovered or reversed	Charge-off or write-off other changes	
Aging Combination	4,139,909.14	2,414,398.59	845,332.44		5,708,975.29
total	4,139,909.14	2,414,398.59	845,332.44		5,708,975.29

Among them, the amount of bad debt provision reversed or recovered in the current period is important:

Applicable Non-applicable

**5. Top five other receivables with ending balances grouped by debtors**

Applicable Non-applicable

Unit: Yuan Currency: RMB

Company name	nature of payment	Ending balance	aging	Proportion to the total ending balance of other receivables (%)	Bad debt provision Ending balance
Futures International	futures margin	24,807,950.10	within 1 year	20.32	
COFCO	Security deposit and deposit	14,913,273.78	within 1 year	12.22	
Dandong Natural Resources Affairs Service Center	land use right transfer fee	12,730,000.00	within 1 year	10.43	636,500.00
Dandong Zhenxing District Urban and Rural Construction Management Real Estate Development Co., Ltd.	current account	6,000,000.00	2 to 3 years	4.92	3,000,000.00
Guoyuan Futures Co., Ltd.	Margin	2,783,393.06	within 1 year	2.28	139,169.65

total	/	61,234,616.94	/	50.17	3,775,669.65
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**(6) Inventory**

**1. Inventory classification**

√ Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Ending balance			Opening Balance		
	Book balance	Provision for decline in value of inventories and impairment of contractual performance costs	Book value	Book balance	Provision for decline in value of inventories and impairment of contractual performance costs	Book value
raw material	994,606,020.55	158,400,779.39	836,205,241.16	951,720,985.13	143,175,075.64	808,545,909.49
semi-finished product	1,327,714,923.40		1,327,714,923.40	1,288,299,541.88	90,588,358.38	1,197,711,183.50
Inventory commodities	117,697,339.15	2,035,340.93	115,661,998.22	174,020,092.48	16,361,082.93	157,659,009.55
Reusable materials	610,912.00		610,912.00	680,000.00		680,000.00
Consignment goods	31,433.57		31,433.57	31,433.57		31,433.57
total	2,440,660,628.67	160,436,120.32	2,280,224,508.35	2,414,752,053.06	250,124,516.95	2,164,627,536.11

**2. Provision for decline in value of inventories and impairment of contractual performance costs**

√ Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Opening Balance	increase in this period		Decrease in current period		Ending balance
		Provision	other	reversed or charged off	others	
raw materials	143,175,075.64	15,225,703.75				158,400,779.39

semi-finished products	90,588,358.38			90,588,358.38		0.00
Inventory	16,361,082.93	3,414.01		14,329,156.01		2,035,340.93
total	250,124,516.95	15,229,117.76		104,917,514.39		160,436,120.32

**(7) Other current assets**

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Ending balance	Opening Balance
Futures Margin	104,481,433.00	545,610.00
advance income tax		2,838,006.68
Input tax to be deducted	41,071,322.35	43,633,307.28
hedging instrument	2,250,100.00	
Advance employee rent	5,874,258.55	
total	153,677,113.90	47,016,923.96

**(8) Long-term receivables**

**1. Long-term receivables**

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Ending balance			Opening Balance			Discount rate range
	Book balance	Bad debt provision	Book value	Book balance	Bad debt provision	Book value	
Sublease receivable	3,286,768.79		3,286,768.79	3,971,633.63		3,971,633.63	
total	3,286,768.79		3,286,768.79	3,971,633.63		3,971,633.63	/

**Provision for bad debts**

Applicable  Non-applicable

**Long-term receivables derecognized due to transfer of financial assets**

Applicable  Non-applicable

**Amount of assets and liabilities formed by transferring long-term receivables and continuing involvement**

Applicable  Non-applicable

**(9) Long-term equity investment**

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Invested company	Opening balance	Changes in current period					end of term balance	Closing balance of provision for impairment
		additional investment	reduced investment	Investment gains and losses recognized under the equity method	Adjustments to other comprehensive income	Other equity changes		
<b>1. Joint venture</b>								
Subtotal								
<b>2. Associated enterprise</b>								
Shanghai Chijin Fengyu New Energy Technology Co., Ltd.	1,728,532.87			-82,898.08			1,645,634.79	
Shanghai Chijin Enbo Technology Partnership	622,274.35						622,274.35	
Shanghai Enbo Chijin New Energy Technology Co., Ltd.	6,300.00						6,300.00	
Others	355,461,592.23			3,179,713.89	13,021,592.65		371,662,898.77	
Subtotal	357,818,699.45			3,096,815.81	13,021,592.65		373,937,107.91	
total	357,818,699.45			3,096,815.81	13,021,592.65		373,937,107.91	

**(10) Fixed assets**

**Items list**

Applicable  Non-applicable

Unit: Yuan Currency:RMB

project	Ending balance	Opening Balance
fixed assets	4,958,459,194.73	5,184,905,189.13

Fixed Assets Clearance		
total	4,958,459,194.73	5,184,905,189.13

**fixed assets**

**1. Fixed assets**

√ Applicable □ Non-applicable

Unit: Yuan Currency: RMB

Items	houses and buildings	shaft construction and auxiliary facilities	mechanical equipment	means of transport	Electronic equipment and others	total
<b>I. Original book value:</b>						
1. Opening balance	1,034,964,960.74	4,812,837,393.93	6,044,127,773.50	818,340,940.39	137,395,927.92	12,847,666,996.48
2. Increased amount in this period	30,775,131.07	182,593,075.16	230,097,358.89	64,766,770.69	21,285,591.59	529,517,927.40
(1) Purchase	5,225,959.98		20,212,241.83	13,456,050.87	2,459,501.03	41,353,753.71
(2) Transfer of construction in progress	815,304.44	17,954,385.25	3,654,269.67	17,391,301.41		39,815,260.77
(3) Business combination not under the same control	916,709.84		2,126,300.92	606,815.06	60,500.00	3,710,325.82
(4) Exchange rate changes	23,817,156.81	164,638,689.91	204,104,546.47	33,312,603.35	18,765,590.56	444,638,587.10
3. Decrease in current period	11,367,078.43	2,092,552.65	15,326,519.75	2,635,438.38		31,421,589.21
(1) Disposal or scrapping	11,367,078.43	2,092,552.65	15,326,519.75	2,635,438.38		31,421,589.21
4. Closing balance	1,054,373,013.38	4,993,337,916.44	6,258,898,612.64	880,472,272.70	158,681,519.51	13,345,763,334.67
<b>II. Accumulated depreciation</b>						
1. Opening balance	644,092,272.63	1,742,653,368.77	4,570,513,615.41	592,092,969.65	113,409,580.89	7,662,761,807.35
2. Increased amount in this period	39,974,724.52	280,655,985.93	314,023,094.46	60,052,280.25	37,042,718.11	731,748,803.27
(1) Accrual	18,512,764.34	188,549,987.91	151,176,228.10	34,480,427.49	19,770,338.47	412,489,746.31

(2) Merger of enterprises not under the same control	866,290.72		2,019,985.87	374,218.17	34,260.74	3,294,755.50
(3) Exchange rate changes	20,595,669.46	92,105,998.02	160,826,880.49	25,197,634.59	17,238,118.90	315,964,301.46
3. Decrease in current period	2,168,993.11	1,987,925.02	545,886.09	2,503,666.46		7,206,470.68
(1) Disposal or scrapping	2,168,993.11	1,987,925.02	545,886.09	2,503,666.46		7,206,470.68
4. Closing balance	681,898,004.04	2,021,321,429.68	4,883,990,823.78	649,641,583.44	150,452,299.00	8,387,304,139.94

### III. Provision for impairment

1. Opening balance						
2. Increased amount in this period						
(1) Accrual						
3. Decrease in current period						
(1) Disposal or scrapping						
<b>4. Closing balance</b>						

### IV. Book value

1. Ending book value	372,475,009.34	2,972,016,486.76	1,374,907,788.86	230,830,689.26	8,229,220.51	4,958,459,194.73
2. Opening book value	390,872,688.11	3,070,184,025.16	1,473,614,158.09	226,247,970.74	23,986,347.03	5,184,905,189.13

**2. Temporarily idle fixed assets**

Applicable Non-applicable

**3. Fixed assets rented in through financial lease**

Applicable Non-applicable

**4. Fixed assets leased out through operating leases**

Applicable Non-applicable

**5. Fixed assets without title certificates**

Applicable Non-applicable

Unit: Yuan Currency: RMB

Items	Book value	Reasons for not completing the certificate of title
Guangyuan Technology 5# plant	1,173,791.70	in progress
Guangyuan Technology Office Building 1	1,370,000.00	in progress
Guangyuan Technology Office Building 2	513,750.00	in progress

**(11) Construction in progress**

**Items list**

Applicable Non-applicable

Unit: Yuan Currency: RMB

Items	Ending balance	Opening Balance
Construction in progress	1,217,918,215.67	676,834,260.62
Engineer material		
total	1,217,918,215.67	676,834,260.62



### Construction in progress

#### 1. Construction in progress

√ Applicable □ Non-applicable

Unit: Yuan Currency: RMB

Items	Ending balance			Opening Balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Sub-mine #4 of Wulong Mining	24,264,076.84		24,264,076.84	11,151,897.21		11,151,897.21
Development project of No. 8 mining area of Huatai Mining	38,066,303.23		38,066,303.23	38,066,303.23		38,066,303.23
Sepon Gold Mine Development Project	4,795,943.02		4,795,943.02	277,990.40		277,990.40
LXML WTSF Development Project	100,851,926.01		100,851,926.01	49,071,144.27		49,071,144.27
LXML SGPD Project	7,122,763.56		7,122,763.56	6,808,388.76		6,808,388.76
LXML Deep Exploration Drilling	96,145,148.42		96,145,148.42	64,281,148.97		64,281,148.97
LXML Underground Mining Project	180,031,447.85		180,031,447.85	110,779,416.38		110,779,416.38
Hanfeng Mining Lishan Mine cage shaft phase III project	67,803,555.15		67,803,555.15	66,771,440.98		66,771,440.98
Golden Star Wassa Gold Mine Expansion Project	229,940,376.44		229,940,376.44	98,310,547.36		98,310,547.36
Jilong Mining 180,000 tons/year mining and processing expansion project	22,287,588.92		22,287,588.92			
Eryuan Jintai Mining Construction Project	87,452,358.84		87,452,358.84			

other projects	359,156,727.39		359,156,727.39	231,315,983.06		231,315,983.06
total	1,217,918,215.67		1,217,918,215.67	676,834,260.62		676,834,260.62

**2. Changes in important construction projects in the current period**

√ Applicable    □ Non-applicable

Unit: Yuan Currency: RMB

project name	Budget	Opening balance	Amount of increase in this period	Amount transferred to fixed assets in the current period	Other reductions (transferred into intangible assets) in the current period	Closing balance	Proportion of cumulative project investment to budget (%)	project progress	Accumulated amount of interest capitalized	Including: capitalized amount of interest in the current period	Current interest capitalization rate (%)	Source of funds
Sub-mine #4 of Wulong Mining	95,000,000.00	11,151,897.21	13,112,179.63			24,264,076.84	95.48%	under construction				self-financing

Development project of No. 8 mining area of Huatai Mining	39,000,000.00	38,066,303.23	0.00			38,066,303.23	98.00%	under construction			self-financing
Sepon Gold Mine Development Project	535,000,000.00	277,990.40	4,517,952.62			4,795,943.02	79.84%	under construction			self-financing
LXML WTSTF Development Project	277,164,000.00	49,071,144.27	51,780,781.74			100,851,926.01	89.45%	under construction			self-financing
LXML SGPD Project	299,826,030.00	6,808,388.76	314,374.80			7,122,763.56	86.10%	under construction			self-financing
LXML Deep Exploration Drilling	138,582,000.00	64,281,148.97	31,863,999.45			96,145,148.42	68.96%	under construction			self-financing

LXML Underground Mining Project	277,164,000.00	110,779,416.38	69,252,031.47			180,031,447.85	81.04%	under construction			self-financing
Hanfeng Mining Lishan Mine cage shaft phase III project	75,000,000.00	66,771,440.98	1,032,114.17			67,803,555.15	90.38%	under construction			self-financing
Golden Star Wassau Gold Mine Expansion Project	762,201,000.00	98,310,547.36	222,124,940.93	16,762,636.36	73,732,475.49	229,940,376.44	93.43%	under construction			self-financing
Jilong Mining 180,000 tons/year mining and processing expansion project	241,000,000.00		22,287,588.92			22,287,588.92	9.25%	under construction			self-financing

Eryuan Jintai Mining Constructi on Project	98,420,870.00		87,452,358.8 4			87,452,358.84	88.86%	under constructi on			self- financi ng
other projects		231,315,983. 06	148,783,590. 43	20,942,846. 10		359,156,727.3 9		under constructi on			self- financi ng
total	2,838,357,900 .00	676,834,260. 62	652,521,913. 00	37,705,482. 46	73,732,475. 49	1,217,918,215 .67	/	/			/

### 3. Provision for impairment of construction in progress in the current period

Applicable Non-applicable

**(12) Right-of-use assets**

√ Applicable □ Non-applicable

Unit: Yuan Currency: RMB

Items	Houses and buildings	Mechanical equipment	Land use rights	total
<b>I. Original book value</b>				
1. Opening balance	17,817,528.85	207,189,023.39	48,331,950.17	273,338,502.41
2. Increased amount in this period	179,820.61	8,697,672.33		8,877,492.94
(1) increase				0.00
(2) Business combination not under the same control				0.00
(3) Exchange rate changes	179,820.61	8,697,672.33		8,877,492.94
3. Decrease in current period	917,839.71			917,839.71
4. Closing balance	17,079,509.75	215,886,695.72	48,331,950.17	281,298,155.64
<b>II. Accumulated depreciation</b>				
1. Opening balance	7,029,608.55	21,353,505.94	4,225,848.46	32,608,962.95
2. Increased amount in this period	2,628,407.82	13,831,478.17	712,016.52	17,171,902.51
(1) Accrual	2,522,628.61	12,084,189.17	712,016.52	15,318,834.30
(2) Exchange rate changes	105,779.21	1,747,289.00		1,853,068.21
3. Decrease in current period				
(1) disposal				
4. Closing balance	9,658,016.37	35,184,984.11	4,937,864.98	49,780,865.46
<b>III. Provision for impairment</b>				

1. Opening balance				
2. Increased amount in this period				
(1) Accrual				
3. Decrease in current period				
(1) disposal				
4. Closing balance				
<b>IV. Book value</b>				
1. Ending book value	7,421,493.38	180,701,711.61	43,394,085.19	231,517,290.18
2. Opening book value	10,787,920.30	185,835,517.45	44,106,101.71	240,729,539.46

### (十三) Intangible assets

#### 1. Intangible assets

√ Applicable    □ Non-applicable

Items	Land use rights	patent	trademark	Exploration and mining rights	Forest land use rights	exploration expenditure	Unit: Yuan Currency: RMB	
							other intangible assets	total
<b>I. Original book value</b>								
1. Opening balance	50,397,676.30	6,714,748.35	336,000.00	9,542,225,254.80	567,680.00	263,348,076.05	69,075,953.31	9,932,665,388.81

2. Increased amount in this period				572,792,231.49		10,049,655.51	94,947,801.76	677,789,688.76
(1) purchase								
(2) Transfer of construction in progress				198,254,350.83		2,580,285.31	343,658.18	201,178,294.32
(3) Business combination not under the same control				23,417,605.37			92,135,938.89	115,553,544.26
(4) Exchange rate changes				351,120,275.29		7,469,370.20	2,468,204.69	361,057,850.18
3. Decrease in current period							3,000.00	3,000.00
(1) disposal							3,000.00	3,000.00
4. Closing balance	50,397,676.30	6,714,748.35	336,000.00	10,115,017,486.29	567,680.00	273,397,731.56	164,020,755.07	10,610,452,077.57

**II. Accumulated amortization**

1. Opening balance	13,019,665.01	3,293,063.37	291,000.00	3,012,742,121.75	104,074.53	65,976,215.51	50,155,993.65	3,145,582,133.82
2. Increased amount in this period	647,711.94	336,302.16	15,000.00	363,028,977.19	- 319,089.54	16,998,273.13	3,642,955.09	384,350,129.97
(1) Accrual	647,711.94	336,302.16	15,000.00	243,318,930.56	- 319,089.54	14,512,889.09	2,144,986.45	260,656,730.66



(2) Business combination not under the same control				973,208.96				973,208.96
(3) Exchange rate changes				118,736,837.67		2,485,384.04	1,497,968.64	122,720,190.35
3. Decrease in current period								
(1) Disposal								
4. Closing balance	13,667,376.95	3,629,365.53	306,000.00	3,375,771,098.94	- 215,015.01	82,974,488.64	53,798,948.74	3,529,932,263.79

### III. Provision for impairment

1. Opening balance				53,995,800.00				53,995,800.00
2. Increased amount in this period								
(1) Accrual								
3. Decrease in current period								
(1) disposal								
4. Closing balance				53,995,800.00				53,995,800.00

### IV. Book value

1. Ending book value	36,730,299.35	3,085,382.82	30,000.00	6,685,250,587.35	782,695.01	190,423,242.92	110,221,806.33	7,026,524,013.78
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2. Opening book value	37,378,011.29	3,421,684.98	45,000.00	6,475,487,333.05	463,605.47	197,371,860.54	18,919,959.66	6,733,087,454.99
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**2. Situation of land use right without title certificate**

Applicable Non-applicable

## (14) Goodwill

### 1. Original book value of goodwill

Applicable  Non-applicable

Unit: Yuan Currency: RMB

The name of the invested company or matters forming goodwill	Opening Balance	increase in this period	Decrease in this period	Ending balance
		formed by a business combination	deal with	
Guangyuan Technology	41,968,889.08			41,968,889.08
total	41,968,889.08			41,968,889.08

### 2. Goodwill impairment provision

Applicable  Non-applicable

**Information about the asset group or combination of asset groups where the goodwill is located**

Applicable  Non-applicable

**Description of the goodwill impairment testing process, key parameters (e.g., growth rate over the forecast period when the present value of future cash flows is expected, growth rate over the stabilization period, profitability, discount rate, forecast period, etc., as applicable) and the method of recognition of goodwill impairment loss**

Applicable  Non-applicable

### Impact of goodwill impairment testing

Applicable  Non-applicable

## (15) Long-term deferred expenses

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Opening Balance	Amount of increase in this period	Amortization amount in current period	Other reductions	Ending balance
Mining license fee	447,812.50		24,375.00		423,437.50

service charge	36,000.00		18,000.00		18,000.00
Forestry land right		650,387.31			650,387.31
total	483,812.50	650,387.31	42,375.00		1,091,824.81

**(16) Deferred income tax assets/deferred income tax liabilities**

**1. Deferred tax assets that have not been offset**

√ Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Ending balance		Opening Balance	
	deductible temporary difference	Deferred income tax assets	deductible temporary difference	Deferred income tax assets
Reclamation obligation	19,386,675.53	2,908,001.33	194,796,609.07	55,100,069.90
deductible loss	9,790,496.46	2,447,624.11	9,790,496.44	2,447,624.11
Provision for bad debts of accounts receivable	5,702,473.30	915,241.42	4,565,274.76	828,698.95
Inventory impairment	5,192,028.08	981,651.32	5,195,483.88	982,083.29
Deferred income	1,508,697.47	226,304.62	2,072,500.67	296,687.59
Changes in fair value	128,227,649.20	19,234,147.38	33,526,410.00	5,028,961.50
lease liability			200,147,512.27	70,051,629.29
other			73,185,373.59	12,492,865.30
total	169,808,020.04	26,712,970.18	523,279,660.68	147,228,619.93

**2. Deferred tax liabilities that have not been offset**

√ Applicable  Applicable

Unit: Yuan Currency:RMB

Items	Ending balance		Opening Balance	
	taxable temporary difference	Deferred income tax liabilities	taxable temporary difference	Deferred income tax liabilities
Appraisal of appreciation of assets in business combinations not under	6,030,148,206.41	2,110,551,872.25	5,943,051,960.15	2,080,068,186.05

common control				
Changes in fair value	21,527,209.20	3,229,081.38	584,200.00	87,630.00
Fixed Assets - Reclamation Obligations	13,339,886.93	2,000,983.04	66,732,940.22	11,044,559.21
right-of-use asset	181,588,250.15	63,555,887.55	187,298,271.50	65,554,395.02
Depreciation Amortization and Tax Differences	1,594,927,395.91	303,865,754.64	1,102,810,081.86	378,810,074.76
others	29,928,508.73	4,489,276.31	81,020,203.71	13,668,089.81
total	7,871,459,457.33	2,487,692,855.17	7,381,497,657.44	2,549,232,934.85

**Deferred income tax assets or liabilities presented on a net amount after offset**

√ Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Deferred income tax assets and liabilities offset at the end of the period	Ending balance of deferred income tax assets or liabilities after offset	Deferred income tax assets and liabilities offset at the beginning of the period	Opening balance of deferred income tax assets or liabilities after offset
Deferred tax assets			93,250,845.30	53,977,774.63
Deferred tax liabilities			93,250,845.30	2,455,982,089.55

**Details of unrecognized deferred income tax assets**

√ Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Ending balance	Opening Balance
deductible temporary difference	466,963.26	2,180,147.51
deductible loss	365,677,654.90	264,141,359.31
total	366,144,618.16	266,321,506.82

**Deductible losses for unrecognized deferred tax assets will expire in the following years**

√ Applicable  Non-applicable

Unit: Yuan Currency: RMB

years	Ending Balance	Opening Balance	Remark
2023		35,326,772.05	
2024	37,569,401.62	37,569,401.62	
2025	46,405,573.68	46,425,573.68	
2026	46,219,031.37	46,219,031.37	
2027	172,406,150.88	98,600,580.59	
2028	63,077,497.35		
total	365,677,654.90	264,141,359.31	/

**(17) Other non-current assets**

√ Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Ending balance			Opening Balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Mine Geological Environment Restoration Fund	81,389,922.18		81,389,922.18	83,129,617.68		83,129,617.68
prepaid equipment	28,736,615.15		28,736,615.15	33,884,432.14		33,884,432.14
Advance payment for construction in progress	48,366,703.28		48,366,703.28	22,517,875.42		22,517,875.42
prepaid forest rights fee	650,387.31		650,387.31	650,387.31		650,387.31

Vegetation Restoration Fee	469,380.00		469,380.00	469,380.00		469,380.00
Prepaid land occupation fee	400,000.00		400,000.00	400,000.00		400,000.00
Certificate of deposit and interest				42,118,328.77		42,118,328.77
Less: Other non-current assets due within one year				42,118,328.77		42,118,328.77
total	160,013,007.92		160,013,007.92	141,051,692.55		141,051,692.55

### (18) Short-term loans

#### 1. Classification of short-term loans

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Ending balance	Opening Balance
Mortgage loan	251,842,361.10	251,772,916.67
Guaranteed loan	256,156,901.69	129,789,374.99
Credit loan		106,846,852.13
Total	507,999,262.79	488,409,143.79

#### Overdue short-term loans

Applicable  Non-applicable

### (19) Tradable financial liabilities

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Item	Opening Balance	increase in this period	Decrease in this period	Ending balance
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Tradable financial liabilities	620,250,390.00	492,278,350.00	142,936,600.00	969,592,140.00
Among which				
gold lease	620,250,390.00	492,278,350.00	142,936,600.00	969,592,140.00
total	620,250,390.00	492,278,350.00	142,936,600.00	969,592,140.00

Other explanations : The Group enters into gold leasing contracts with banks for financing purposes, whereby gold is leased within the credit limits of the banks, sold through the trading system of the Shanghai Gold Exchange, and gold of the same quantity and specifications is purchased through the system prior to the maturity date of the lease and repaid to the banks on the maturity date, and the agreed leasing fees are payable on a regular basis (generally the same as the bank's quarterly interest payment date), with the leasing period generally being less than one year (inclusive). The year-end balance of the gold lease liability represents the fair value of the gold leased from the bank at the balance sheet date.

## (20) Notes payable

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Type	Ending balance	Opening Balance
trade acceptance		
banker's acceptance		158,000,000.00
total		158,000,000.00

## (21) Accounts payable

### 1. List of accounts payable

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Ending balance	Opening Balance
Material purchase	396,646,187.26	429,577,514.29
Project money	37,342,322.51	144,638,135.83
For equipment	20,008,018.72	49,027,303.49
service charge	15,633,893.09	51,206,930.27
freight	547,736.53	16,151,083.79
Mining rights and prospecting rights fees		647,788.17
others	67,900.00	2,141,279.47
total	470,246,058.11	693,390,035.31



**Important accounts payable aged over 1 year**

Applicable Non-applicable

**(22) Contract liabilities**

**1. Contract liabilities**

Applicable Non-applicable

Unit: Yuan Currency: RMB

Items	Ending balance	Opening Balance
Advance payment	17,437,249.10	1,227,090.17
metal stream business	63,786,754.61	60,824,519.80
total	81,224,003.71	62,051,609.97

**(23) Salaries payable to employees**

**1. List of employee salaries payable**

Applicable Non-applicable

Unit: Yuan Currency:RMB

Items	Opening Balance	increase in this period	Decrease in this period	Ending balance
1. Short-term salary	98,985,333.46	414,774,852.97	390,903,902.73	122,856,283.70
2. Post-employment benefits - defined contribution plan	772,235.79	13,083,984.57	13,097,156.22	759,064.14
3. Dismissal benefits	7,586,039.49	825,977.27	8,412,016.76	
4. Other benefits due within one year	7,110,300.54	1,690,628.98		8,800,929.52
total	114,453,909.28	430,375,443.79	412,413,075.71	132,416,277.36

**List of short-term salary**

Applicable Non-applicable

Unit: Yuan Currency:RMB

Items	Opening Balance	increase in this period	Decrease in this period	Ending balance
1. Wages, bonuses, allowances and subsidies	55,697,535.77	401,035,635.16	377,874,105.85	78,859,065.08
2. Employee benefits	12,002,732.97	5,398,493.16	5,402,067.46	11,999,158.67

3. Social insurance premiums	449,685.45	5,092,065.84	5,130,960.16	410,791.13
among which: medical insurance premiums	449,346.25	4,191,614.06	4,230,595.98	410,364.33
work injury insurance	339.20	898,869.02	898,781.42	426.80
maternity insurance		1,582.76	1,582.76	0.00
4. Housing provident fund	44,230.48	749,065.44	715,075.60	78,220.32
5. Trade union funds and employee education funds	8,275,699.21	2,495,793.37	1,777,893.66	8,993,598.92
6. Short-term paid absences	22,515,449.58			22,515,449.58
7. Other short-term compensation		3,800.00	3,800.00	
total	98,985,333.46	414,774,852.97	390,903,902.73	122,856,283.70

**Lift of defined contribution plans**

√ Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Opening Balance	increase in this period	Decrease in this period	Ending balance
1. Basic pension insurance	740,121.33	8,097,523.81	8,110,866.46	726,778.68
2. Unemployment insurance premium	32,114.46	4,986,460.76	4,986,289.76	32,285.46
total	772,235.79	13,083,984.57	13,097,156.22	759,064.14

**(24) Taxes payable**

√ Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Ending balance	Opening Balance
corporate income tax	163,969,795.47	177,081,921.10
VAT	2,042,062.44	16,918,446.70
Resource tax	58,809,095.13	68,362,018.79
Personal Income Tax	5,682,300.59	5,890,025.60
Education and education surcharges	91,279.52	844,530.00

Urban maintenance and construction tax	93,078.02	647,758.60
property tax	59,213.28	241,253.60
land holding tax	60,366.00	209,646.80
stamp duty	207,412.81	199,526.00
Soil and Water Conservation Fee	29,421.73	108,000.00
water resource tax	70,000.00	89,303.50
Local Water Conservancy Construction Fund	2,074.21	47,486.00
total	231,116,099.20	270,639,916.69

## (25) Other payables

### Item list

Applicable  Non-applicable

Unit: Yuan Currency: Yuan

Items	Ending balance	Opening Balance
Other payables	954,681,811.30	487,025,962.51
total	954,681,811.30	487,025,962.51

### Other payables

#### 1. List of other payables by nature of payment

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Ending balance	Opening Balance
current account	477,818,689.26	417,299,508.08
security deposit	31,876,291.93	33,507,054.57
late fee	12,916,183.00	22,916,183.00
Withholding employee payment	537,387.11	11,147,516.46
others	431,533,260.00	2,155,700.40
total	954,681,811.30	487,025,962.51

#### 2. Important other payables aged over 1 year

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Ending balance	Reason for nonpayment or carryover
Shandong Jinchuang Gold and Silver Smelting Co., Ltd.	3,000,000.00	The performance bond period has not expired
Shandong Changlong Sanhui Construction Engineering Co., Ltd.	1,600,000.00	The performance bond period has not expired
Shaanxi Yaojie Construction Group Co., Ltd.	1,200,000.00	The performance bond period has not expired
Wenzhou Dongda Mine Construction Engineering Co., Ltd.	1,100,000.00	The performance bond period has not expired
Wenzhou Jianfeng Mine Engineering Co., Ltd.	1,000,000.00	The performance bond period has not expired
Shang Gang	1,500,000.00	The safety deposit period has not expired
Guo Zengfa	1,500,000.00	The safety deposit period has not expired
Suo Zhuyuan	1,000,000.00	The safety deposit period has not expired
Bi Chengjun	1,000,000.00	The safety deposit period has not expired
Du Jin	1,000,000.00	The safety deposit period has not expired
Liu Yanhong	1,000,000.00	The safety deposit period has not expired
Zhou Jie	1,000,000.00	The safety deposit period has not expired
total	15,900,000.00	/

**(26) Non-current liabilities due within one year**

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Ending balance	Opening Balance
Long-term loans due within 1 year	314,881,339.17	333,770,192.89

Long-term payables due within 1 year	10,848,588.72	10,848,588.72
Lease liabilities due within 1 year	28,014,175.28	31,177,292.19
Estimated liabilities due within 1 year	8,771,290.11	9,567,416.41
<b>total</b>	<b>362,515,393.28</b>	<b>385,363,490.21</b>

## (27) Other current liabilities

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Ending balance	Opening Balance
Output tax to be transferred	703,533.49	136,884.85
others	167,609.73	161,550.92
<b>total</b>	<b>871,143.22</b>	<b>298,435.77</b>

## (28) Long-term loans

### 1. Classification of long-term loans

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Ending balance	Opening Balance
Mortgage loan	1,536,820,997.31	1,632,573,601.27
Guaranteed loan	135,483,750.00	214,977,374.14
Credit loan	40,028,879.17	
Accrued interest not yet due	36,844,451.42	
<b>Less: Long-term loans due within one year</b>	<b>314,881,339.17</b>	<b>333,770,192.89</b>
<b>total</b>	<b>1,434,296,738.73</b>	<b>1,513,780,782.52</b>

## (29) Lease liabilities

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Ending balance	Opening Balance
-------	----------------	-----------------

lease liability	252,739,057.17	261,982,341.68
Less: Lease liabilities due within one year	28,014,175.28	31,177,292.19
total	224,724,881.89	230,805,049.49

### (30) Long-term payables

#### Items list

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Ending balance	Opening Balance
Long-term payables	77,816,114.99	62,336,784.87
total	77,816,114.99	62,336,784.87

#### Long-term payables

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Ending balance	Opening Balance
Mining right transfer fee	88,664,703.71	73,185,373.59
Less: Long-term payables due within one year	10,848,588.72	10,848,588.72
total	77,816,114.99	62,336,784.87

### (31) Estimated liabilities

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Opening Balance	Ending balance	Reasons
Mine closure expense for domestic subsidiaries	72,426,384.70	66,614,347.38	Estimated environmental protection expenditures for future mine closures
LXML mine closure expense	1,797,744,753.78	1,867,453,024.91	Estimated environmental protection expenditures for future mine closures

Golden Star Wassa mine closure expense	124,229,801.87	126,599,542.19	Estimated environmental protection expenditures for future mine closures
Less: Estimated liabilities due within one year	9,567,416.41	8,771,290.11	
total	1,984,833,523.94	2,051,895,624.37	/

**(32) Deferred income**

**Deferred income**

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Opening Balance	increase in this period	Decrease in this period	Ending balance	Reasons
government subsidy	2,072,500.67		694,499.96	1,378,000.71	related to assets
total	2,072,500.67		694,499.96	1,378,000.71	/

**Projects involving government subsidies:**

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Liabilities projects	Opening Balance	The new subsidy amount in this period	Amount included in non-operating income in the current period	Amount included in other income in the current period	other changes	Ending balance	Asset-Related/Revenue-Related
Special subsidy for environmental restoration and governance of Tianbaoshan and structural	533,333.82			49,999.98		483,333.84	assets

adjustment of enterprise technological transformation							
Subsidy funds related to the renovation of the processing plant	671,666.85			76,999.98		594,666.87	assets
new project subsidies introduced by Hefei Economic and Information Commission	567,500.00			567,500.00			assets
Special Fund for High-quality Development of Manufacturing Industry	300,000.00					300,000.00	assets

**(33) Other non-current liabilities**

√ Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Ending balance	Opening Balance
Contract Liabilities - Metal Stream Business	611,679,939.45	606,297,934.13
total	611,679,939.45	606,297,934.13

Other Explanations:



GSR acquired by the Group in 2022 has the following transactions: GSR signed a purchase and sale agreement ("Metal Stream Agreement") with RGLD Gold AG through its subsidiary Caystar Finance Co. in May 2015, and received an advance payment of USD 145,000,000.00 from RGLD Gold AG. Golden Star Resources will fulfill its delivery obligations with the future gold production of its subsidiaries. The agreement is divided into two stages. In the first stage, for the products delivered under the agreement, GSR will fulfill the delivery obligation with 10.5% of its gold production, and RGLD Gold AG will pay 20% of the spot price of gold until 240,000.00 ounces gold is delivered. After entering the second phase, GSR will fulfill its delivery obligations with 5.5% of its gold production, and the price will be 30% of the spot price of gold. As of June 30, 2023, GSR has delivered a total of 162,319.85 ounces of gold.

### (34) Share capital

Applicable  Non-applicable

Unit: Yuan Currency: RMB

	Opening Balance	Increase or decrease in this change (+, -)					Ending balance
		issued IPO	Bonus shares	Capital reserves converted into shares	other	Subtotal	
total number of shares	1,663,911,378.00						1,663,911,378.00

### (35) Capital reserves

Applicable  Non-applicable

Unit: Yuan Currency: RMB

project	Opening Balance	increase in this period	Decrease in this period	Ending balance
Capital Premium (Equity Premium)	626,613,563.85			626,613,563.85
total	626,613,563.85			626,613,563.85

### (36) Treasury stock

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Opening Balance	increase in this period	Decrease in this period	Ending balance
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Shares bought back for Employee Stock Ownership Plans	300,787,044.21	50,013,050.24		350,800,094.45
total	300,787,044.21	50,013,050.24		350,800,094.45

**(37) Other comprehensive income**

Applicable  Non-applicable

**Unit: Yuan Currency: RMB**

Items	Opening Balance	Amount incurred in this period						end of term balance
		Amount before income tax in the current period	Less: included in other comprehensive income in the previous period and transferred to profit or loss in the current period	Less: included in other comprehensive income in the previous period and transferred to retained earnings in the current period	Deduct: income tax expense	Attributable to the parent Company after tax	Attributable to minority shareholders after tax	
1. Other comprehensive income that cannot be reclassified into profit or loss								
2. Other comprehensive income that will be reclassified into profit or loss	-14,346,240.25	244,077,723.83			53,499.00	179,054,207.79	64,970,017.03	164,707,967.54
Including: Other comprehensive income that can be transferred to profit or loss under the equity method								
Changes in fair value of other debt investments								
Amount of reclassification of financial assets included in other comprehensive income								
Cash flow hedge reserve		356,660.00			53,499.00	303,161.00		303,161.00
Translation differences of foreign currency financial statements	-14,346,240.25	243,721,063.83				178,751,046.79	64,970,017.03	164,404,806.54
Total other comprehensive income	-14,346,240.25	244,077,723.83			53,499.00	179,054,207.79	64,970,017.03	164,707,967.54

**(38) Special reserve**

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Opening Balance	increase in this period	Decrease in this period	Ending balance
Production safetyfee	893,848.95	7,841,714.80	4,623,446.01	4,112,117.74
total	893,848.95	7,841,714.80	4,623,446.01	4,112,117.74

**(39) Surplus reserve**

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Opening Balance	increase in this period	Decrease in this period	Ending balance
Statutory surplus reserve	132,124,232.09			132,124,232.09
total	132,124,232.09			132,124,232.09

**(40) Undistributed profits**

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Current period	Previous year
Undistributed profit at the end of the previous period before adjustment	3,079,159,820.20	2,678,742,115.49
Adjust the total amount of undistributed profit at the beginning of the period (increase +, decrease -)		
undistributed profit at the beginning of the period after adjustment	3,079,159,820.20	2,678,742,115.49
Add: Net profit attributable to owners of the parent Company in the current period	311,963,272.12	451,115,399.07
Less: Withdrawal of statutory surplus reserve		50,697,694.36
Withdraw any surplus reserve		

Withdraw general risk reserve		
Dividends payable on common stock		
Common stock dividends converted into share capital		
Undistributed profit at the end of the period	3,391,123,092.32	3,079,159,820.20

#### (41) Operating income and operating costs

##### 1. Operating income and operating costs

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period		Amount incurred in the previous period	
	revenue	cost	revenue	cost
Main business	3,368,940,925.12	2,297,353,437.90	3,044,593,197.38	1,767,770,536.11
Other business	2,764,571.00	282,571.00	1,743,460.60	579,596.30
total	3,371,705,496.12	2,297,636,008.90	3,046,336,657.98	1,768,350,132.41

##### Revenue from contracts

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Contract classification	mining industry	Comprehensive recycling of resources	others	total
Product Types				
gold	3,049,791,797.20			3,049,791,797.20
Electrolytic copper	165,340,230.17			165,340,230.17
Zinc concentrate	2,904,132.36			2,904,132.36
silver	9,078,529.68			9,078,529.68
others		141,826,235.71	2,764,571.00	144,590,806.71
Classified by business area				
within China	607,430,200.78	141,826,235.71	1,468,980.66	750,725,417.15
overseas	2,619,684,488.63		1,295,590.34	2,620,980,078.97
type of contractss				
Merchandise sales contract	3,227,114,689.41	141,826,235.71		3,368,940,925.12

service contract			2,764,571.00	2,764,571.00
Classification by time of commodity transfer				
Recognize revenue at a point in time	3,227,114,689.41	141,826,235.71	2,764,571.00	3,371,705,496.12
Service revenue recognized by period				
total	3,227,114,689.41	141,826,235.71	2,764,571.00	3,371,705,496.12

**(42) Taxes and surcharges**

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
Urban maintenance and construction tax	618,072.83	890,443.60
Education surcharge	368,409.54	677,115.26
Local education fee surcharge	245,606.34	535,591.58
Resource tax	148,570,806.87	88,509,767.89
stamp duty	422,582.00	288,207.38
land use tax	2,415,128.39	44,705,092.60
property tax	766,732.22	649,473.67
vehicle usage tax	15,189.05	16,937.47
environmental tax	534.10	658.34
water resource tax	173,637.50	145,871.50
Water conservancy fund	60,430.95	160,956.12
Tariff	772,821.83	
Total	154,429,951.62	136,580,115.41

**(43) Sales expenses**

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
Labor costs	165,570.56	212,992.11

Loading and unloading freight	3,224,196.54	3,005,539.90
travel expenses	27,776.24	30,373.19
service fee	34,126.08	11,504.55
Depreciation	283.11	283.10
material consumption	59,327.67	30,395.77
others	80,621.37	195,645.76
total	3,591,901.57	3,486,734.38

#### (44) Management expenses

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
Labor costs	133,268,887.12	91,816,825.87
Professional agency service fee	41,900,279.31	62,312,658.71
Office and travel expenses	19,238,386.04	22,156,908.73
Depreciation and amortization	22,822,372.25	33,319,464.21
Rental fees	6,871,191.96	1,264,003.10
insurance	16,427,976.29	11,163,897.13
Business Hospitality	3,112,190.46	1,336,387.66
Environmental protection fee	6,743,863.37	5,879,018.39
Material consumption	7,014,845.15	9,625,084.07
others	7,014,752.26	839,521.33
total	264,414,744.21	239,713,769.20

#### (45) Research and development expenses

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
material fee	2,232,545.32	1,487,566.46
Trial product testing fee	69,345.05	158,750.15
Labor costs	5,297,483.71	4,151,842.53
Depreciation and amortization	1,066,191.25	1,656,553.71
power cost	2,470,646.49	2,136,102.81

others	256,014.07	431,681.49
total	11,392,225.89	10,022,497.15

**(46) Financial expenses**√ Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
interest expense	96,148,807.16	54,686,651.72
interest income	-20,036,165.57	-6,207,967.86
Exchange gains and losses	-8,276,415.55	-21,592,642.22
Financial Institution Fees	12,458,259.01	9,988,803.50
others	1,147,857.98	2,516,318.39
total	81,442,343.03	39,391,163.53

**(47) Other income**√ Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
Government Grants Related to Daily Activities	761,159.96	2,244,633.19
Refund of individual tax handling fee	287,559.93	395,546.36
total	1,048,719.89	2,640,179.55

**(48) Investment income**√ Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
Long-term equity investment income calculated by equity method	3,096,815.81	-98,002.67
Investment income from disposal of investment	5,104,911.51	54,461.32



Investment income of trading financial assets during the holding period		2,428,068.72
Gold lease hedging	-4,621,336.36	10,816,877.18
total	3,580,390.96	13,201,404.55

**(49) Income from changes in fair value**√ Applicable  Non-applicable

Unit: Yuan Currency: RMB

Sources of income from changes in fair value	Amount incurred in the current period	Amount incurred in the previous period
tradable financial assets	-21,718,065.96	684,949.29
Including: income from changes in fair value of derivative financial instruments	-584,200.00	684,949.29
Tradable financial liabilities	-32,346,318.25	-20,312,250.00
total	-54,064,384.21	-19,627,300.71

Other explanations:

- ① The Company subscribed for additional shares in cash and held the shares of MTC, a listed Company in Australia. During the reporting period, there were fluctuations in fair value changes due to changes in stock price;
- ② In the first quarter of 2023, due to the rise in the price of gold, the stock gold leasing business will have a floating loss due to changes in fair value. The Company has established a special team to strengthen market research and market analysis, and strengthen risk control; as of the end of the report, the Company has locked in gold lease exposure through hedging.

**(50) Credit impairment losses**√ Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
bad debt loss of Accounts receivable	436,827.02	-622,616.33
Bad debt loss of other receivables	-1,569,066.15	-964,551.40
total	-1,132,239.13	-1,587,167.73

### (51) Asset impairment losses

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
1. Bad debt loss		
2. loss due to the decline in the value of inventory and contract performance cost impairment	30,561,961.94	-288,831,260.96
total	30,561,961.94	-288,831,260.96

### (52) Income from asset disposal

Applicable  Non-applicable

Unit: Yuan Currency: RMB

project	Amount incurred in the current period	Amount incurred in the previous period
Gain on disposal of non-current assets (loss "-")	-2,395,902.94	-2,875,135.26
total	-2,395,902.94	-2,875,135.26

### (53) Non-operating income

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period	The amount included in the current non-recurring profit and loss
Disposal of waste revenue	65,270.67	6,120.80	65,270.67
Liquidated damages and penalty income	171,503.00	537,323.10	171,503.00
others	449,136.29	3,457,364.50	449,136.29
total	685,909.96	4,000,808.40	685,909.96

**(54) Non-operating expenses**√ Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period	The amount included in the current non-recurring profit and loss
external donation	12,000.00	300,000.00	12,000.00
penalty payment	224,360.00	56,012.00	224,360.00
work injury expenses	608,000.00	2,815,526.49	608,000.00
Late payment fee and compensation	494,068.05	460,180.71	494,068.05
others	933,000.00	239.95	933,000.00
total	2,271,428.05	3,631,959.15	2,271,428.05

**(55) Income tax expenses****1. Income Tax Expense Table**√ Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
Current income tax expense	185,508,945.08	122,050,633.00
Deferred income tax expense	-4,491,194.17	-41,843,203.73
total	181,017,750.91	80,207,429.27

**Accounting Profit and Income Tax Expenses Adjustment Process**√ Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period
The total profit	534,811,349.32
Income tax expense calculated at statutory/applicable tax rate	133,702,837.33
Impact of different tax rates applicable to subsidiaries	14,509,271.79
Effect of adjusting income taxes in prior period	345,713.28
Impact on non-taxable income	34,809,492.33

Effect of non-deductible costs, expenses and losses	174,584.30
Impact of using deductible losses of deferred income tax assets not recognized in the previous period	-204,588.24
The impact of deductible temporary differences or deductible losses of deferred income tax assets not recognized in the current period	207,747.54
Research and development expenses, additional deduction for wages of the disabled	-2,527,307.42
Income tax expense	181,017,750.91

### (56) Other comprehensive income

Applicable  Not applicable

Please refer to Note (37) for details

### (57) Cash flow statement items

#### 1. Other cash received related to operating activities

Applicable  Non-applicable

Items	Unit: Yuan Currency: RMB	
	Amount incurred in the current period	Amount incurred in the previous period
Financial subsidies received	1,664,806.34	2,213,274.24
Deposit interest received in the current period	20,036,165.57	6,207,967.86
Margin	12,568,900.00	8,858,200.00
Payment received	47,091,012.80	71,577,644.89
insurance	26,953.14	682,307.77
others	1,364,627.15	2,177,893.36
Compensation payments	625,835.83	184,834.00
total	83,378,300.83	91,902,122.12

#### Other cash paid related to operating activities

Applicable  Non-applicable

Items	Unit: Yuan Currency: RMB	
	Amount incurred in the	Amount incurred in the

	current period	previous period
current account	35,788,230.22	64,645,922.39
handling fee	12,458,259.01	5,653,729.11
Bid bond	25,333,775.71	49,066,722.38
travel expenses	6,685,509.76	11,060,378.66
Insurance premium	6,372,951.37	6,531,454.33
Compensation and Sponsorship	6,013,154.74	5,203,287.97
Other management fees	18,651,120.80	156,911,462.16
Margin Payable	2,500,427.75	2,259,000.00
personal loan	9,106,627.18	1,161,405.18
total	122,910,056.54	302,493,362.18

**Other cash received related to investment activities**

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
Structured deposits and interest		406,000,000.00
total		406,000,000.00

**Other cash paid related to investment activities**

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
Margin	113,876,400.00	
structured deposit		406,000,000.00
Acquisition of Golden Star-related expenses		667,283,790.00
total	113,876,400.00	1,073,283,790.00

**Other cash received related to financing activities**

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
-------	---------------------------------------	--

Gold leasing business	419,795,193.64	99,725,397.14
financing	10,000,000.00	304,877,000.00
Recovery of the letter of credit financing deposit	20,400,000.00	
employee stock ownership plan	300,548,987.65	
total	750,744,181.29	404,602,397.14

### Other cash paid related to financing activities

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
Gold leasing business	253,500,000.00	
handling fee		5,369,375.00
share repurchase	50,013,050.24	
Payment of L/C Financing Security Deposit		20,400,000.00
total	303,513,050.24	25,769,375.00

## (58) Supplementary information on cash flow statement

### 1. Supplementary Information to Cash Flow Statement

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Supplementary information	Current Amount	Previous amount
<b>1. Reconcile net income to cash flow from operating activities:</b>		
net profit	353,793,598.41	471,874,385.32
Add: Provision for impairment of assets	-30,561,961.94	288,831,260.96
Credit impairment loss	1,132,239.13	1,587,167.74
Depreciation of fixed assets, depreciation of oil and gas assets, depreciation of productive biological assets	412,489,746.31	179,847,091.43
Amortization of right-of-use assets	15,318,834.30	16,311,860.69
Amortization of intangible assets	260,656,730.66	146,566,001.75
Amortization of long-term deferred expenses	42,375.00	2,520,143.73

Losses from disposal of fixed assets, intangible assets and other long-term assets (gains are listed with "-")	2,395,902.94	2,875,135.26
Losses from scrapping fixed assets (gains are listed with "-")		
Losses from changes in fair value (gains are listed with "-")	54,064,384.21	19,627,300.71
Financial expenses (gains are listed with "-")	96,148,807.16	54,686,651.72
Investment loss (gains are listed with "-")	-3,580,390.96	-13,201,404.55
Decrease in deferred income tax assets (increase is listed with "-")	27,264,804.45	-41,888,764.24
Increase in deferred income tax liabilities (decrease is marked with "-")	31,710,765.62	-2,201,748.42
Decrease in inventory (increase is marked with "-")	-25,908,575.61	-464,673,267.96
Decrease in operating receivables (increase is marked with "-")	-152,002,230.14	-244,300,108.86
Increase in operating payable items (decrease is listed with "-")	-173,621,481.93	-328,726,299.60
others	3,218,268.83	249,471.05
Net cash flow from operating activities	872,561,816.44	89,984,876.73

**2. Significant investment and financing activities that do not involve cash receipts and payments:**

Conversion of debt into capital		
Convertible corporate bonds due within one year		
Finance lease fixed assets		

**3. Net changes in cash and cash equivalents:**

Closing balance of cash	1,091,635,096.77	1,162,082,532.60
Less: Opening balance of cash	1,052,544,506.50	1,707,868,389.69
Add: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	39,090,590.27	-545,785,857.09

**Net cash paid for acquiring subsidiaries in the current period**

Applicable  Non-applicable

**Net cash received from disposal of subsidiaries during the period**

Applicable  Non-applicable

**Composition of cash and cash equivalents**

Applicable  Non-applicable

**Unit: Yuan Currency: RMB**

<b>Items</b>	<b>Ending balance</b>	<b>Opening Balance</b>
1. Cash	1,091,635,096.77	1,052,544,506.50
Including: cash on hand	624,277.26	644,479.43
Bank deposits ready for payment	1,091,010,819.51	1,051,900,027.07
Funds in other currencies readily available for payment		
Central bank deposits available for payment		
deposits with other banks		
Interbank lending		
2. Cash equivalents		
Including: bond investment due within three months		
3. Balance of cash and cash equivalents at the end of the period	1,091,635,096.77	1,052,544,506.50
Including: restricted cash and cash equivalents used by the parent company or subsidiaries within the Group		

**(59) Assets whose ownership or right to use is restricted**

Applicable  Non-applicable

**Unit: Yuan Currency: RMB**

<b>Items</b>	<b>Ending book value</b>	<b>Restricted reason</b>
Moneytary funds	331,279,059.88	Gold lease deposit and environmental governance deposit, etc.
other current assets	104,481,433.00	futures margin
Other non-current assets	81,389,922.18	Reclamation Fund
fixed assets	258,062,004.42	Industrial Financial Leasing Loan Mortgage



intangible assets	5,533,069,803.17	Wassa Mining Rights Mortgage
total	6,308,282,222.65	/

## (60) Foreign Currency Monetary Items

### 1. Foreign Currency Monetary Items

Applicable  Non-applicable

unit: Yuan

Items	Ending foreign currency balance	Conversion rate	RMB balance at the end of the period
Money funds	-	-	
in: USD	65,613,593.00	7.2258	474,110,700.31
accounts receivable	-	-	
in: USD	10,293,274.96	7.2258	74,377,146.21
Prepayments	-	-	
in: USD	10,350,861.59	7.2258	74,793,255.67
other receivables	-	-	
in: USD	196,041,456.28	7.2258	1,416,556,354.79
short-term loan			
in: USD	15,655,027.14	7.2258	113,120,095.11
accounts payable			
in: USD	54,190,097.06	7.2258	391,566,803.34
Other payables			
in: USD	199,475,273.13	7.2258	1,441,368,428.58
Long term loan	-	-	
in: USD	94,594,227.84	7.2258	683,518,971.53

**Explanation of overseas operating entities, including for important overseas operating entities, the main overseas business location, bookkeeping functional currency and selection basis should be disclosed, and the reasons for changes in bookkeeping functional currency should also be disclosed**

Applicable  Non-applicable

## (61) Hedging

Applicable  Non-applicable

Disclose qualitative and quantitative information on hedging items, related hedging instruments, and hedged risks according to the type of hedging:

serial number	hedged item	hedging instrument	hedged risk	Quantitative
1	Gold in stock to be sold in the future	Gold forward sell contract in the futures market	Risk of lower income due to future gold price declines	partially effective
2	Financial liabilities arising from gold leases	Gold Forward Buy Contract in the Futures Market	The risk of an increase in the cost of repaying gold due to future increases in the price of gold	partially effective

#### **Risk management strategy for hedge accounting:**

The Company's hedge accounting is classified into two types: cash flow hedge and fair value hedge.

(1) Cash flow hedging: The Company's main products, such as gold and electrolytic copper, are precious metals and bulk non-ferrous metal commodities. The Company's profit is closely related to commodity prices, and the precious metal products held by it are subject to risk due to price changes. For the gold products that are expected to be sold, the Company sells futures contracts for hedging because it is worried that the sales price will fall in the future and the cash income will decrease, so as to reduce the risk of the Company's profit reduction due to the price drop. The ratio of the number of hedging instruments to the hedged items is less than 0.8:1. Relevant gains and losses are recorded in other comprehensive income and main business income or investment gains and losses (invalid hedging part) according to cash flow hedge accounting.

(2) Fair value hedging: First, the Company designated the gold lease financing business as a hedged item, and used the futures standard contract of the Shanghai Futures Exchange as a hedging tool to avoid the risk of an increase in the cost of repaying gold due to rising gold prices. The number of leases is purchased in the futures market in a corresponding number of futures contracts. The ratio of the hedging instrument to the hedged item is 1:1 to stabilize the risk of price fluctuations. The relevant gains and losses are recorded in fair value changes or investment income.

The Company's margin occupation for hedging business and the overall amount of positions are submitted to the Board of Directors for consideration, and the Hedging Management System has been formulated as an internal control and risk management system for conducting domestic futures hedging business. It has made clear provisions on the scale of varieties, source of funds, approval authority, decision-making procedures, authorization system, business processes, risk management and information disclosure of the Company's hedging business, which can effectively ensure the smooth progress of the hedging business and form an effective control over its risks. The existing scale of the Company's own funds can support the margin required for the Company to engage in hedging business.

**Impact of hedge accounting on the financial statements of the current period**

Items		Variety	Items listed in the balance sheet	Amount listed on the balance sheet	Items listed in income statement	Amount affected by income statement (before tax)
cash flow hedge	hedging instrument	gold futures contract	other current assets	2,250,100.00	Other comprehensive income	303,161.00
	hedged item	commodity price risk	stock		Other comprehensive income	303,161.00
fair value hedge	hedging instrument	gold futures contract	other current assets	104,481,433.00	Changes in fair value gains and losses	
					investment income	-4,621,336.36
	hedged item	gold lease	Tradable financial liabilities	969,592,140.00	Changes in fair value gains and losses	-
					investment income	32,930,518.25

**(62) Government subsidies**

**1. Basic information about government subsidies**

Applicable  Non-applicable

**Unit: Yuan Currency: RMB**

type	the amount	Presentation items	Amount included in current profit and loss
Government subsidies Related to Income	193,659.96	other income	193,659.96
Government Grants Related to Assets	567,500.00	other income	567,500.00

#### Return of government subsidies

Applicable Non-applicable

## 8. Changes in the scope of consolidation

### (1) Merger of enterprises not under common control

Applicable Non-applicable

#### 1. Business combinations not under the same control occurred in the current period

Applicable Non-applicable

Unit: Yuan Currency: RMB

The name of the purchased party	Equity Acquisition Time	Equity Acquisition Cost	Equity Acquisition Ratio (%)	Equity Acquisition Method	date of purchase	Basis for Determining the Date of Purchase	Income of the acquired party from the purchase date to the end of the period	Net profit of the purchased party from the purchase date to the end of the period
Xinhenghe Mining	January 9, 2023	61,200,000.00	51	acquisition	January 9, 2023	obtain controlling right		-126,569.17

#### Merger costs and goodwill

适用 不适用

Unit: Yuan Currency: RMB

merger cost	Kunming Xinhenghe Mining Co., Ltd.
-- cash	61,200,000.00
-- Fair value of non-cash assets	

-- Fair value of debt issued or assumed	
-- Fair value of equity securities issued	
-- Fair value of contingent consideration	
--The fair value on the purchase date of the equity held before the purchase date	
--others	
Total merger cost	61,200,000.00
Less: Fair value share of identifiable net assets acquired	61,200,000.00
goodwill / merger costs are less than the fair value share of identifiable net assets acquired	

**The identifiable assets and liabilities of the acquiree on the date of purchase**

√ Applicable  Non-applicable

Unit: Yuan Currency: RMB

	Kunming Xinhenghe Mining Co., Ltd.	
	fair value on the day of purchase	Book value on the day of purchase
assets:	184,755,254.74	94,736,911.33
Money funds	2,304,571.84	2,304,571.84
Accounts receivable	857,594.80	857,594.80
stock		
fixed assets	415,570.32	415,570.32
intangible assets	114,577,335.30	24,558,991.89
Construction in progress	51,756,745.36	51,756,745.36
Other non-current assets	14,843,437.12	14,843,437.12
Liabilities:	51,582,420.40	51,582,420.40
loan		
Accounts payables	51,582,420.40	51,582,420.40
Deferred tax liabilities		
Net assets	133,172,834.34	43,154,490.93
Less: Minority interests	71,972,834.34	4,171,000.00

net assets acquired	61,200,000.00	38,983,490.93
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**Gains or losses arising from the remeasurement of the fair value of the equity held before the purchase date**

Whether there are transaction in which the business merger is realized step by step through multiple transactions and control is obtained during the reporting period

Applicable Non-applicable

**Relevant explanations that the merger consideration or the fair value of the acquiree's identifiable assets and liabilities cannot be reasonably determined on the date of purchase or at the end of the current merger period**

Applicable Non-applicable

**(2) Business merger under common control**

Applicable Non-applicable

**(3) reverse purchase**

Applicable Non-applicable

**(4) Disposal of subsidiaries**

Whether there is a situation where a single disposal of investment in subsidiaries results in loss of control

Applicable Non-applicable

**(5) Changes in the scope of consolidation for other reasons**

Explain the changes in the scope of consolidation caused by other reasons (such as the establishment of new subsidiaries, liquidation of subsidiaries, etc.) and related situations:

Applicable Non-applicable

## 9. Interests in other entities

### (1) interests in subsidiaries

#### 1. The composition of the enterprise group

√ Applicable □ Non-applicable

Subsidiary name	Main place of business	Registration place	business nature	Shareholding ratio (%)		Way of obtaining
				direct	indirect	
Jilong Mining	Chifeng, Inner Mongolia	Chifeng, Inner Mongolia	gold mining	100		acquired
Huatai Mining	Chifeng, Inner Mongolia	Chifeng, Inner Mongolia	gold mining		100	acquired
Wulong Mining	Liaoning Dandong	Liaoning Dandong	gold mining		100	acquired
Tongxing mineral processing	Liaoning Dandong	Liaoning Dandong	Gold Smelting		100	acquired
Guangyuan Technology	Hefei, Anhui	Hefei, Anhui	Dismantling of waste electrical and electronic products	55		acquired
Hefei Huanchuang	Hefei, Anhui	Hefei, Anhui	Dismantling of waste electrical and electronic products		55	Newly established
Chijin Geological Survey	Tianjin	Tianjin	Technical Services	60		Newly established
Chijin Laos	Cayman Islands	Cayman Islands	Investment and Investment Management	100		acquired
LXML	Laos	Laos	Non-ferrous metal mining		90	acquired
Chijin Hong Kong	Hongkong	Hongkong	Investment and Investment Management	100		Newly established

Hanfeng Mining	Jilin	Jilin	Non-ferrous metal ore mining and processing	100		acquired
Chijin Fengyu	Shanghai	Shanghai	Import and export of trade, goods or technology	100		Newly established
Golden Star Resources	Canada	Canada	Investment and Investment Management		62	Acquired
Golden Star Wassa	Ghana	Ghana	Gold mining and sales		55.8	Acquired
Chijin Xia Tungsten	Shanghai	Shanghai	Non-ferrous metal sales	51		Newly established
Xinhenghe Mining	Kunming	Kunming	Sales of metals and metal ores	51		Acquired

### important non-wholly owned subsidiaries

√ Applicable □ Non-applicable

Unit: Yuan Currency: RMB

Subsidiary name	Minority Shareholders Ratio (%)	Profit and loss attributable to minority shareholders in the current period	Dividends declared for distribution to minority shareholders in the current period	Balance of minority shareholders' equity at the end of the period
Guangyuan Technology	45	6,700,197.42		147,081,662.92
Chijin Geological Survey	40	137,675.64		126,665.11
LXML	10	25,870,741.50		281,310,554.97
Golden Star Resources	38	75,273,733.37		1,870,800,652.39
Xinhenghe Mining	49	-62,018.89		71,910,815.45



Explanation for the shareholding ratio of minority shareholders of subsidiaries  
different from the ratio of voting rights:

Applicable Non-applicable

## Main financial information of important non-wholly owned subsidiaries

√ Applicable □ Non-applicable

Unit: 10k Yuan Currency: RMB

Subsidiary name	Ending balance						Opening Balance					
	current assets	Non-current assets	total assets	Current liabilities	Non-current liabilities	Total Liabilities	current assets	Non-current assets	total assets	Current liabilities	Non-current liabilities	Total Liabilities
Guangyuan Technology	41,866.17	8,276.36	50,142.53	13,458.72	3,999.00	17,457.72	36,644.99	8,663.02	45,308.01	10,055.38	4,056.75	14,112.13
Chijin Geological Survey	29.66	2.01	31.67				29.78	3.84	33.62	36.37		36.37
LXML	311,749.06	268,828.64	580,577.70	101,535.70	197,731.45	299,267.15	300,619.01	251,649.26	552,268.27	102,850.35	193,978.11	296,828.46
Golden Star Resources	68,494.83	822,654.52	891,149.35	92,506.21	396,018.11	488,524.32	58,393.65	805,861.81	864,255.46	87,013.80	391,486.14	478,499.94
Xinhenghe Mining	962.17	13,189.43	14,151.60	8,300.88	1,547.93	9,848.81	316.22	9,157.47	9,473.69	3,610.31	1,547.93	5,158.24

Subsidiary name	Amount incurred in the current period				Amount incurred in the previous period			
	operating revenue	net profit	Total comprehensive income	cash flow from operating activities	operating revenue	net profit	Total comprehensive income	cash flow from operating activities
Guangyuan Technology	14,233.51	1,488.93	1,488.93	-4,128.85	15,600.76	1,901.35	1,901.35	-1,150.86
Chijin Geological Survey		34.42	34.42	-0.12	10.00	-8.58	-8.58	-3.21
LXML	154,965.03	15,651.30	25,870.74	29,791.27	154,954.64	18,423.01	32,141.34	18,607.71

<b>Golden Star Resources</b>	107,132.97	2,447.69	16,869.49	27,642.65	79,328.01	7,700.16	11,416.71	-21,947.82
<b>Xinhenghe Mining</b>		-12.66	-12.66	-5.09				

**Significant restrictions on the use of corporate group assets and liquidation of corporate group liabilities:**

Applicable Non-applicable

**Financial support or other support provided to structured entities included in the scope of consolidated financial statements:**

Applicable Non-applicable

**(2) Transactions in which the share of owner's equity in a subsidiary changes but the subsidiary is still controlled**

Applicable Non-applicable

**(3) Interests in joint ventures or associates**

Applicable Non-applicable

**1. Important joint ventures or associates**

Applicable Non-applicable

**2. Main financial information of important joint ventures**

Applicable Non-applicable

**3. Key financial information of important associates**

Applicable Non-applicable

**4. Aggregate financial information of immaterial joint ventures and associates**

Applicable Non-applicable

**Unit: Yuan Currency: RMB**

	<b>Closing balance / Amount incurred in the current period</b>	<b>balance / amount incurred in the previous period</b>
<b>Associated Enterprises:</b>		

Total book value of investments	373,937,107.91	357,818,699.45
<b>The total of the following items calculated according to the shareholding ratio</b>		
-- Net profit	3,096,815.81	-4,104,412.39
--Other comprehensive income	13,021,592.65	
--Total comprehensive income	16,118,408.46	-4,104,412.39

**(4) important joint venture**

Applicable  Non-applicable

**(5) Interests in structured entities not included in the scope of consolidated financial statements**

Relevant explanations for structured entities not included in the scope of consolidated financial statements:

Applicable  Non-applicable

**10. Disclosure of fair value**

**(1) Ending fair value of assets and liabilities measured at fair value**

Applicable Non-applicable

Unit: Yuan Currency: RMB

Items	Fair value at the end of the period			total
	Tier 1 fair value measurement	Tier 2 fair value measurement	Tier 3 fair value measurement	
<b>I. Continuous fair value measurement</b>				

(1) Tradable financial assets				
1. Financial assets measured at fair value and whose changes are included in current profit and loss				
(1) Investment in debt instruments				
(2) Equity instrument investment	17,196,736.40			17,196,736.40
(3) Derivative financial assets				
2. Financial assets designated at fair value whose changes are included in the current profit or loss				
(1) Investment in debt instruments				
(2) Equity instrument investment				
(2) Other debt investments				
(3) Investment in other equity instruments				
(4) Investment real estate				
(5) Biological assets				
<b>Total assets that continue to be measured at fair value</b>	17,196,736.40			17,196,736.40

(6) Tradable financial liabilities				
1. Financial liabilities measured at fair value and whose changes are included in current profit and loss				
Including: tradable bonds issued				
derivative financial liabilities				
gold lease	969,592,140.00			969,592,140.00
2. Financial liabilities designated at fair value whose changes shall be included in the current profit and loss				
<b>Total liabilities at continuing fair value</b>	969,592,140.00			969,592,140.00

**(2) Basis for determining the market price of continuous and non-continuous tier 1 fair value measurement items**

Applicable Non-applicable

**(3) Continuous and non-continuous tier 2 fair value measurement items, valuation techniques used and qualitative and quantitative information on important parameters**

Applicable Non-applicable

**(4) Continuous and non-continuous tier 3 fair value measurement items, valuation techniques used and qualitative and quantitative information on important parameters**

Applicable Non-applicable

**(5) Continuous tier 3 fair value measurement items, reconciliation information between book value at the beginning and end of the period and sensitivity analysis of unobservable parameters**

Applicable Non-applicable

**(6) Continuous fair value measurement items, conversions between different tiers during the current period, reasons for the conversions and policies for determining the timing of the conversions**

Applicable Non-applicable

**(7) Valuation technique changes during the period and reasons for the changes**

Applicable Non-applicable

**(8) Fair value of financial assets and financial liabilities not measured at fair value**

Applicable Non-applicable

## **11. Related parties and related transactions**

### **(1) The parent company of the Company**

Applicable Non-applicable

The ultimate controller of the Company is Li Jinyang, a natural person.

### **(2) The Company's subsidiaries**

Please refers to Note 9. (1) Interests in subsidiaries for the details of the subsidiaries of the



Company.

Applicable  Non-applicable

### (3) The Company's joint ventures and associates

For details of the important joint ventures or associates of the Company, please refers to Note

9. 3. Interests in joint ventures or associates.

Applicable  Non-applicable

The situation of other joint ventures or associates that had related party transactions with the Company in the current period, or had balances with the Company in the previous period is as follows

Applicable  Non-applicable

### (4) Other related parties

Applicable  Non-applicable

### (5) Related transactions

#### 1. Related transactions of purchase and sale of goods, provision and acceptance of services

Table of purchasing goods/accepting labor service

Applicable Non-applicable

Unit: Yuan Currency: RMB

Related party	Related transaction content	Amount incurred in the current period	Approved transaction amount (if applicable)	Whether the transaction limit is exceeded (if applicable)	Amount incurred in the previous period
Huaying Feiteng	Property management fees	958,531.00			5,057,935.00
Huaying Feiteng	utility bill	113,431.00			

Sales of goods/provision of labor services

Applicable  Non-applicable

Explanation on related transactions of purchase and sale of goods, provision and acceptance of services

Applicable  Non-applicable

**Related entrusted management/contracting and entrusted management/contracting**

The Company's entrusted management/contracting situation table:

Applicable  Non-applicable

Description of related trusteeship/contracting

Applicable  Non-applicable

Table of the Company's entrusted management/outsourcing situation:

Applicable  Non-applicable

Related management/outsourcing situation description

Applicable  Non-applicable

**Related Lease Situation**

The Company as lessor:

Applicable  Non-applicable

The Company as lessee:

Applicable  Non-applicable

Description of related leases

Applicable  Non-applicable

**Related Guarantees**

The Company as a guarantor

Applicable Non-applicable

**Unit: 10k Yuan Currency: RMB**

<b>guaranteed party</b>	<b>Guarantee amount</b>	<b>Guarantee start date</b>	<b>Guarantee Expiry Date</b>	<b>Whether the guarantee has been fulfilled</b>

Jilong Mining	16,000.00	2022/8/25	2023/8/24	no
Jilong Mining	20,000.00	2022/10/9	2024/10/8	no
Jilong Mining	13,500.00	2022/5/19	5/18/2025	no
Guangyuan Technology	4,000.00	2022/8/29	2025/8/28	no
Guangyuan Technology	5,400.00	2022/8/19	2025/8/19	no
Guangyuan Technology	3,500.00	2022/6/17	2023/6/17	yes
Hefei Huanchuang	1,000.00	2022/3/25	2027/3/25	no
LXML	USD 30 million	2021/12/2	2024/12/30	no
Golden Star Wassa	\$118,167,100	2022/5/6	2027/5/6	no
Jilong Mining	20,000.00	2023/1/28	2026/1/28	no
Jilong Mining	12,000.00	2023/2/15	2026/2/15	no
LXML	USD 20 million	2023/3/30	2024/3/30	no

The Company as the guaranteed party

Applicable  Non-applicable

Description of related guarantees

Applicable  Non-applicable

### Fund lending to related parties

Applicable  Non-applicable

Unit: 10k Yuan Currency: RMB

Related party	Loan amount	start date	expiry date	remarks
inflow				
Li Jinyang	41,094.00	2022/11/17	not yet expired	no interest

**Asset transfer and debt restructuring of related parties**

Applicable  Non-applicable

**Compensation of key management personnel**

Applicable  Non-applicable

Unit: 10k Yuan Currency: RMB

Items	Amount incurred in the current period	Amount incurred in the previous period
Compensation of key management personnel	1,084.31	1,374.57

**Other related transactions**

Applicable  Non-applicable

**(6) Receivables and payables of related parties**

**1. Receivables**

Applicable  Non-applicable

**payable items**

Applicable  Non-applicable

Unit: Yuan Currency: RMB

project name	Related party	Closing book balance	Opening book balance
Other payables	Huaying Feiteng	30,871.60	41,000.00
Other payables	Li Jinyang	410,940,000.00	410,940,000.00
Lease liabilities (including due within one year)	Huaying Feiteng	4,286,338.03	9,535,409.10

**(7) Related Party Commitment**

Applicable Non-applicable

**12. Share payment**

**(1) General Situation of Share Payment**

Applicable Non-applicable

**(2) Share payment settled by equity**

Applicable Non-applicable

**(3) Share payment settled by cash**

Applicable Non-applicable

**(4) Modification and termination of share payment**

Applicable Non-applicable

**13. Commitments and contingencies**

**(1) Important Commitments**

Applicable Non-applicable

**(2) contingencies**

**1. Important contingencies existing on the balance sheet date**

Applicable Non-applicable

**If the Company has no important contingencies that need to be disclosed, it should also explain:**

Applicable Non-applicable

The Company has no important contingencies that need to be disclosed.

## 14. Matters after the balance sheet date

### (1) Important Non-Adjusting Matters

Applicable  Non-applicable

### (2) Profit distribution

Applicable  Non-applicable

### (3) Returned sales

Applicable  Non-applicable

### (4) Description of other matters after the balance sheet date

Applicable  Non-applicable

## 15. Other important matters

### (1) Correction of previous accounting errors

#### 1. retrospective restatement

Applicable  Non-applicable

#### prospective application

Applicable  Non-applicable

### (2) debt reorganization

Applicable  Non-applicable

### (3) asset replacement

#### 1. Exchange of non-monetary assets

Applicable  Non-applicable

**Other asset replacement**

Applicable Non-applicable

**(4) annuity plan**

Applicable Non-applicable

**(5) cease operations**

Applicable Non-applicable

**(6) Segment information**

**1. Determination Basis and Accounting Policies of Reporting Segments**

Applicable Non-applicable

**Financial Information of the reporting segment**

Applicable Non-applicable\_\_\_\_\_

**If the Company has no reportable segment, or cannot disclose the total assets and total liabilities of each reportable segment, the reasons shall be explained**

Applicable Non-applicable

**(7) Other important transactions and matters affecting investors' decision-making**

Applicable Non-applicable

**16. Notes to the main items of the financial statements of the parent Company**

**(1) accounts receivable**

**1. Disclosure by age**

Applicable Non-applicable

**Disclosure by classification of provision for bad debts**

Applicable  Non-applicable

**Provision for bad debts**

Applicable  Non-applicable

Among them, the recoverable or reversed amount of bad debt provision in the current period is important:

Applicable  Non-applicable

**Accounts receivable actually written off in the current period**

Applicable  Non-applicable

**Top five accounts receivable with ending balances classified by debtors**

Applicable  Non-applicable

**Accounts receivable derecognized due to transfer of financial assets**

Applicable  Non-applicable

**The amount of assets and liabilities formed by transferring accounts receivable and continuing involvement**

Applicable  Non-applicable

**(8) other receivables**

**Items list**

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening Balance
interest receivable		
dividend receivable		
other receivables	992,668,333.86	332,072,446.67
total	992,668,333.86	332,072,446.67



**interest receivable**

**1. Classification of interest receivable**

Applicable Non-applicable

**Important Overdue Interest**

Applicable Non-applicable

**Provision for bad debts**

Applicable Non-applicable

**dividend receivable**

**1. dividend receivable**

Applicable Non-applicable

**Important dividends receivable aged over 1 year**

Applicable Non-applicable

**Provision for bad debts**

Applicable Non-applicable

**other receivables**

**1. Disclosure by age**

Applicable Non-applicable

Age	Unit: Yuan Currency: RMB Closing book balance
within 1 year	
Among them: sub-items within 1 year	
1-6 months	992,687,284.71
Subtotal within 1 year	992,687,284.71
1 to 2 years	
2 to 3 years	

over 3 years	
total	992,687,284.71

### Classification by nature of payment

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Nature of payment	Closing book balance	Opening book balance
Security deposit and deposit	10,000.00	10,000.00
personal current accounts	21,607.96	12,961.90
Company current account	992,363,086.95	331,902,038.61
Employee Loans and Reserve Funds	292,589.80	166,415.00
total	992,687,284.71	332,091,415.51

### Provision for bad debts

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Bad debt provision	The first stage	second stage	The third phase	total
	Expected credit losses in the next 12 months	Expected credit losses throughout the duration (no credit impairment occurred)	Lifetime expected credit loss (credit impairment has occurred)	
balance as at January 1, 2023	18,968.85			18,968.85
balance in current period as at January 1, 2023				

-- Transfer to the second stage				
-- Transfer to the third stage				
-- Reverse to the second stage				
-- Reverse to the first stage				
Accrual for this period				
Charge off in this period	18.00			18.00
Resell this issue				
Write off in this period				
other changes				
Balance as at June 30, 2023	18,950.85			18,950.85

Explanation on the significant changes in the book balance of other receivables with changes in loss provisions in the current period:

Applicable  Non-applicable

Basis for accruing bad debt provision for the current period and assessing whether the credit risk of financial instruments has increased significantly:

Applicable  Non-applicable

**Provision for bad debts**

Applicable  Non-applicable

Unit: Yuan Currency: RMB

category	Opening	Amount of change in the current period	Ending
----------	---------	--	--------

	Balance	Provision	recovered or reversed	charge-off or write-off	other changes	balance
Age group	18,968.85		18.00			18,950.85
total	18,968.85		18.00			18,950.85

Among them, the amount of bad debt provision reversed or recovered in the current period is important:

Applicable Non-applicable

**1. Other receivables actually written off in the current period**

Applicable Non-applicable

Explanation for write-off of other receivables:

Applicable Non-applicable

**Other receivables of the top five ending balances classified by debtors**

Applicable Non-applicable

Unit: Yuan Currency: RMB

Company name	nature of payment	Ending balance	age	Proportion to the total ending balance of other receivables (%)	Bad debt provision Ending balance
Chijin International (Hong Kong) Co., Ltd.	Company current account	297,317,738.29	within 1 year	29.95	
Liaoning Wulong Gold Mining Co., Ltd.	Company current account	98,581,537.36	within 1 year	9.93	

Anhui Guangyuan Technology Development Co., Ltd.	Company current account	77,801,550.31	within 1 year	7.84	
Golden Star (Wassa) Co., Ltd.	Company current account	71,899,600.32	within 1 year	7.24	
Eryuan Jintai Mining Development Co., Ltd.	Company current account	61,927,812.49	within 1 year	6.24	
total	/	607,528,238.77	/	61.20	

**1. Accounts receivable involving government subsidies**

Applicable Non-applicable

**Other receivables derecognized due to transfer of financial assets**

Applicable Non-applicable

**The amount of assets and liabilities formed by transferring other receivables and continuing involvement**

Applicable Non-applicable

**(1) Long-term equity investment**

Applicable Non-applicable

**Unit: Yuan Currency: RMB**

<b>Item</b>	<b>Ending balance</b>	<b>Opening Balance</b>
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	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Investment in subsidiaries	6,198,345,909.23		6,198,345,909.23	6,134,845,909.23		6,134,845,909.23
Investment in associates and joint ventures	1,645,634.79		1,645,634.79	1,728,532.87		1,728,532.87
total	6,199,991,544.02		6,199,991,544.02	6,136,574,442.10		6,136,574,442.10

### 1. Investment in subsidiaries

√ Applicable □ Non-applicable

Unit: Yuan Currency: RMB

Invested company	Opening Balance	increase in this period	Decrease in this period	Ending balance	Provision for impairment in the current period	Closing balance of provision for impairment
Hanfeng Mining	531,714,480.93			531,714,480.93		
Jilong Mining	1,694,207,878.30			1,694,207,878.30		
Chijin Geological Survey	600,000.00			600,000.00		
Chijin Laos	1,909,708,750.00			1,909,708,750.00		
Chijin Hong Kong	1,839,934,800.00			1,839,934,800.00		

Guangyuan Technology	100,000,000.00			100,000,000.00		
Chijin Fengyu	28,080,000.00	2,300,000.00		30,380,000.00		
Chijin Xia Tungsten	30,600,000.00			30,600,000.00		
Kunming Xinhenghe		61,200,000.00		61,200,000.00		
total	6,134,845,909.23	63,500,000.00		6,198,345,909.23		

### Investment in associates and joint ventures

√ Applicable  Non-applicable

Unit: Yuan Currency: RMB

invest unit	Beginning balance	Changes in current period				end of term balance	Closing balance of provision for impairme nt
		additio nal investm ent	reduc e invest ment	Investment gains and losses recognized under the equity method	other		
joint venture							
Fengyu New Energy	1,728,532.87			-82,898.08		1,645,634.79	
total	1,728,532.87			-82,898.08		1,645,634.79	

## (2) Operating Income and Operating Costs

### 1. Operating income and operating costs

√ Applicable  Non-applicable

Unit: Yuan Currency: RMB

Items	Amount incurred in the current period		Amount incurred in the previous period	
	revenue	cost	revenue	cost
Main business				
Other business	66,925,795.23		63,023,526.00	
total	66,925,795.23		63,023,526.00	

### Revenue generated by the contract

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Contract classification	parent company	total
Product contracts		
service contracts	66,925,795.23	66,925,795.23
total	66,925,795.23	66,925,795.23

Description of revenue arising from the contract:

Applicable  Non-applicable

### Description of performance obligations

Applicable  Non-applicable

### Description of apportionment to remaining performance obligations

Applicable  Non-applicable

### (3) investment income

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Long-term equity investment income calculated by cost method	100,000,000.00	556,783,626.93



Long-term equity investment income calculated by equity method	-82,898.08	-98,002.67
Investment income from disposal of long-term equity investment		54,461.32
total	99,917,101.92	556,740,085.58

## 17. Supplementary Information

### (1) Statement of non-recurring profit and loss for the current period

Applicable  Non-applicable

Unit: Yuan Currency: RMB

Item	Amount	Note
Gains and losses on disposal of non-current assets	-2,395,902.94	Disposal of fixed assets
Unauthorized approval, or no formal approval documents, or occasional tax refunds, reductions and exemptions		
Government subsidies included in the current profit and loss, except for government subsidies that are closely related to the Company's normal business operations, comply with national policies and regulations, and are continuously enjoyed in accordance with certain standards or quantities	1,048,719.89	Received personal income tax fee refund and government subsidies
Fund occupancy fees charged to non-financial enterprises included in current profit and loss		
The cost of investments in subsidiaries, associates and joint ventures acquired by an enterprise is less than its share of the gain arising from the fair value		

of the investee's identifiable net assets at the time of investment acquisition		
Gains and losses from non-monetary asset exchange		
Profit and loss from entrusting others to invest or manage assets		
Provisions for asset impairment due to force majeure factors, such as natural disasters		
Profit and loss from debt restructuring		
Enterprise reorganization expenses, such as expenses for relocating employees, integration expenses, etc.		
Profit and loss exceeding the fair value of a transaction whose transaction price is obviously unfair		
Net profit and loss for the current period from the beginning of the period to the date of combination of subsidiaries arising from a business combination under common control		
Profit and loss arising from contingencies unrelated to the normal business operations of the Company		
In addition to the effective hedging business related to the Company's normal business operations, gains and losses from changes in fair value arising from holding tradable financial assets, derivative financial assets, tradable financial liabilities, and derivative financial liabilities, as well as investment income from disposal of tradable financial assets, derivative financial assets, tradable financial liabilities, derivative financial liabilities and other debt investments	-53,580,809.06	Changes in the fair value of gold leasing and gains and losses from participation in private placement to hold shares of overseas mining listed companies MTC, WR1

Accounts receivable that have been individually tested for impairment and reversal of provision for contract asset impairment		
Profit and loss from external entrusted loans		
Profit and loss arising from changes in the fair value of investment real estate that adopts the fair value model for subsequent measurement		
The impact of one-time adjustment to the current profit and loss in accordance with the requirements of taxation, accounting and other laws and regulations on the current profit and loss		
Custody fee income from entrusted operations		
Other non-operating income and expenses other than those listed above	-1,585,518.09	
Other profit and loss items that meet the definition of non-recurring profit and loss		
Less: Income Tax Impact Amount	-511,586.76	
Amount affected by minority shareholders' equity (after tax)	4,020,971.76	
total	-60,022,895.20	

For the non-recurring profit and loss items defined by the Company in accordance with the "Explanatory Announcement No. 1 on Information Disclosure of Companies Offering Securities to the Public - Non-recurring profits and Losses", and non-recurring profit and loss items listed in the "Explanatory Announcement No. 1 on Information Disclosure of Companies Offering Securities to the Public - - Non-recurring profit and loss items being changed to recurring profit and loss items, reasons shall be given.

Applicable Non-applicable

**(2) ROE and EPS**

Applicable  Non-applicable

Profit during the reporting period	Weighted average ROE (%)	earnings per share	
		basic earnings per share	diluted earnings per share
Net profit attributable to ordinary shareholders of the Company	5.84	0.19	0.19
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring gains and losses	6.96	0.23	0.23

**(3) Differences in accounting data under domestic and foreign accounting standards**

Applicable  Non-applicable

Chairman: Wang Jianhua

Date of Approval by the Board: 2023年8月18日