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江西銅業股份有限公司
JIANGXI COPPER COMPANY LIMITED

(a Sino-foreign joint venture joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 0358)

**OVERSEAS REGULATORY ANNOUNCEMENT
IN RELATION TO LITIGATION
INVOLVING A WHOLLY-OWNED SUBSIDIARY**

The Board and all members of the Board warrant that the contents of this announcement do not contain any false statement, misleading representation or material omission and accept responsibility severally and jointly for the truthfulness, accuracy and completeness of the contents of this announcement.

This announcement is made pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

HIGHLIGHTS:

- Litigation stage: acceptance by the court and pending hearing.
- Status of the subsidiary of Jiangxi Copper Company Limited (the “**Company**”) in the litigation: 深圳江銅營銷有限公司 (transliterated as Shenzhen Jiangxi Copper Marketing Company Limited) (“**Shenzhen Jiangxi Copper Marketing**”), a wholly-owned subsidiary of the Company, is the defendant (the “**Litigation**”).
- Amount involved: RMB1,081,872,419.

- Possibility of having a negative impact on the profit and loss of the Company: As the Litigation is subject to ruling by the court, it is uncertain whether the Litigation would have a negative impact on the profit of the Company either in the current period or subsequent periods.
- Preliminary verification and self-examination of the Company: Shenzhen Jiangxi Copper Marketing has performed all delivery obligations. The plaintiff has no remaining goods stored at Shenzhen Jiangxi Copper Marketing.

The Company recently received a report from Shenzhen Jiangxi Copper Marketing that Shenzhen Jiangxi Copper Marketing received materials such as the Proof of Service and the Civil Complaint from the Higher People’s Court of Anhui Province of the People’s Republic of China (the “**PRC**”) in relation to a contract dispute case (litigation case number: (2019) Wan Min Chu No. 26). Details of the Litigation are set out below:

I. BASIC INFORMATION OF THE PARTIES TO THE LITIGATION

On 25 April 2019, Shenzhen Jiangxi Copper Marketing received a copy of the Civil Complaint served by the Higher People’s Court of Anhui Province, the PRC. The basic information of the parties to the Litigation are set out below:

1. Plaintiff: 幫的汽車科技有限公司 (transliterated as Bangdi Auto Technology Company Limited) (the “**Plaintiff**”), with unified social credit code: 913402007467649127
Domicile: Anshannan Road, Wuhu Economic Development Zone
Legal representative: Wen Songying
2. Defendant: Shenzhen Jiangxi Copper Marketing, with unified social credit code: 914403007904580071
Domicile: 33/F, Block A, Oriental Xintiandi Plaza, Caitian Road, Futian District, Shenzhen
Legal representative: Deng Li

II. BACKGROUND OF THE LITIGATION

1. Facts and reasons alleged by the Plaintiff

The original name of the Plaintiff was 蕪湖幫的貿易有限公司 (transliterated as Wuhu Bangdi Trading Company Limited), which was subsequently changed to 幫的汽車科技有限公司 (transliterated as Bangdi Auto Technology Company Limited) on 17 April 2018.

Since 2011, the Plaintiff has been conducting trading of copper rods with Shenzhen Jiangxi Copper Marketing and a third party named 恒寶昌公司(上海)銅材有限公司 (transliterated as Hengbaochang Company (Shanghai) Copper Co., Ltd.) (“**Hengbaochang**”). The basic mode of transaction is as follows: Hengbaochang paid the deposit to the Plaintiff for procurement of copper rods. After the Plaintiff receiving approximately 10% deposit from Hengbaochang (the remaining amount to be paid by Hengbaochang to the Plaintiff within 90 days), it would procure copper rods from Shenzhen Jiangxi Copper Marketing, and pay the entire procurement amount to Shenzhen Jiangxi Copper Marketing. Shenzhen Jiangxi Copper Marketing would issue the certificate of ownership to the Plaintiff and be responsible for copper rod warehousing and storage. The Plaintiff would issue delivery notes to Hengbaochang with delivery quantities corresponding to the payments made by Hengbaochang, and Hengbaochang would collect the goods from Shenzhen Jiangxi Copper Marketing.

From January 2011 to March 2015, the Plaintiff procured from Shenzhen Jiangxi Copper Marketing a total of 124,848.54 tonnes of goods, of which delivery notes were issued for collection of goods from Shenzhen Jiangxi Copper Marketing in the aggregate amount of 107,742.35 tonnes. The remaining 17,106.19 tonnes of copper rods had been stored at Shenzhen Jiangxi Copper Marketing. Shenzhen Jiangxi Copper Marketing delivered the copper rods to Hengbaochang without receiving the Plaintiff’s delivery instructions.

The Plaintiff considered that Shenzhen Jiangxi Copper Marketing delivered the remaining 17,106.19 tonnes of copper rods to Hengbaochang without receiving the Plaintiff’s delivery instructions has constituted breach of the relevant agreements, and shall assume the corresponding indemnification obligation according to the relevant agreements and provisions of the laws.

2. Claims of the Plaintiff

- a. Shenzhen Jiangxi Copper Marketing shall indemnify the Plaintiff for the loss of goods, being RMB850,927,112, plus interests for the period from 25 June 2015 to the date when Shenzhen Jiangxi Copper Marketing fully performed the said obligation at a lending rate of equivalent loans for the corresponding period announced by the People's Bank of China (interests amounting to RMB154,803,733.01 for the period temporarily calculated up to 24 March 2019);
- b. Shenzhen Jiangxi Copper Marketing shall refund the Plaintiff the prepayment, being RMB65,913,929.71, plus the interests for the period from 1 January 2016 to the actual refund date at a lending rate of equivalent loans for the corresponding period announced by the People's Bank of China (interests amounting to RMB10,227,644.76 for the period temporarily calculated up to 24 March 2019); and
- c. Shenzhen Jiangxi Copper Marketing shall bear the litigation expense.

III. THE COMPANY'S RESPONSE TO THE LITIGATION

The Company was informed that according to the evidence materials currently available to Shenzhen Jiangxi Copper Marketing, Shenzhen Jiangxi Copper Marketing has performed all delivery obligations in the transactions involving the Plaintiff in the Litigation. The Plaintiff has no remaining goods stored at Shenzhen Jiangxi Copper Marketing.

The Company was informed that the actual controller of Hengbaochang was suspected of economic crimes in the underlying transactions in the Litigation and has been investigated by the relevant judicial authorities. The criminal act is still in the investigation stage, and the facts ascertained and confirmed by the judicial authorities shall prevail.

IV. IMPACT OF THE LITIGATION ON THE COMPANY'S PROFIT FOR THE CURRENT PERIOD OR SUBSEQUENT PERIODS AND CORRESPONDING MEASURES

As the Litigation is subject to hearing, there is uncertainty about the litigation results; therefore, it is currently unable to estimate the impact on the Company's profit for the current period or subsequent periods. Shenzhen Jiangxi Copper Marketing has commenced appearance, and the Company will also actively advocate and protect its legitimate interest in a lawful and compliant manner.

The Company will perform its information disclosure obligations in a timely manner according to the progress of the Litigation.

V. SAVE FOR THE LITIGATION, THE COMPANY DOES NOT HAVE ANY OTHER DISCLOSEABLE LITIGATIONS THAT HAS YET TO BE DISCLOSED.

By Order of the Board
JIANGXI COPPER COMPANY LIMITED
Long Ziping
Chairman

Nanchang, Jiangxi, the PRC, 30 April 2019

As at the date of this announcement, the executive directors of the Company are Mr. Long Ziping, Mr. Zheng Gaoqing, Mr. Wang Bo, Mr. Gao Jianmin, Mr. Liang Qing, Mr. Dong Jiahui and Mr. Yu Tong; and the independent non-executive directors of the Company are Mr. Tu Shutian, Mr. Liu Erh Fei, Mr. Liu Xike and Mr. Zhu Xingwen.