

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

**ANNOUNCEMENT IN RELATION TO
THE PROPOSED GUARANTEE AND
THE PROPOSED ISSUANCE OF BONDS**

This announcement is made by Jiangxi Copper Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

I. PROPOSED GUARANTEE

On 30 March 2020, the board (the “**Board**”) of directors (the “**Directors**”) of the Company considered and approved the “Resolution on Proposing to the General Meeting to Authorise the Board to Approve the Provision of Guarantee for the Wholly-owned Subsidiaries” (《關於提請股東大會授權董事會批准為全資子公司提供擔保的議案》), and proposed to put forward to the general meeting of the Company for authorisation to be granted to the Board to approve the provision of guarantee for the application of its wholly-owned subsidiaries, namely, Jiangxi Copper Hong Kong Company Limited (“**JCHK**”) and Jiangxi Copper (Hong Kong) Investment Company Limited (“**JCI**”) to financial institutions (including financial institutions and factoring companies) for comprehensive credit facilities (the “**Comprehensive Credit Facilities**”) of a total amount not exceeding US\$1.8 billion, of which US\$200 million will be provided for JCHK and US\$1.6 billion will be provided for JCI (the “**Proposed Guarantee**”). No counter guarantees in relation to the Proposed Guarantee will be provided. Upon obtaining authorization at the 2019 annual general meeting of the Company (the “**2019 AGM**”), the Board will authorise the Chairman of the Board

to execute, apply and process documents in relation to the Proposed Guarantee on behalf of the Company. The authorisation will be valid from the date of the 2019 AGM to the date of the 2020 annual general meeting of the Company.

The Comprehensive Credit Facilities will mainly be used as liquidity needed for normal production and operation and as funds to invest in overseas resources projects (including but not limited to mining fund investment, risk exploration investment, minority equity interest investment, equity mergers and acquisitions investment).

As at the date of this announcement, the Company, JCHK and JCI have yet to determine the specific contents of the guarantee agreement. The specific amount, the term and such other terms of the Proposed Guarantee shall fall within the above-mentioned scope, and shall be determined in the then guarantee agreements to be signed by the Company. The Company will perform its obligations regarding to the Proposed Guarantee during the authorisation period in strict accordance with the authorization to be granted at the 2019 AGM.

LISTING RULES IMPLICATIONS

As the Proposed Guarantee will be provided by the Company for its wholly-owned subsidiaries, the Proposed Guarantee will not be subject to any requirement under Chapter 14 or 14A of the Listing Rules. However, under the relevant provisions of the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Proposed Guarantee shall be subject to the shareholders' approval requirements.

INFORMATION OF THE COMPANY AND THE GUARANTEED PARTIES

The Company

The Company is a Sino-foreign joint venture joint stock limited company incorporated in the PRC on 24 January 1997. The Company's main scope of operations include: mining, milling, smelting, further processing and related technical services of non-ferrous metals and rare metals; smelting, mangle processing and further processing of non-ferrous metal mines, rare metals, non-metal mines, non-ferrous metals and related by-products; sulfur chemical products and its extended products and fine chemical products related to the abovementioned operations; trading of non-ferrous metals and trading of precious metals; beneficiation pharmacy, rubber products; production and processing of toxic chemicals, corrosives, compressed gases and liquefied gases; sale and after-sale services for self-produced products together with related consultation services and businesses; geotechnical projects, surveying, tunneling projects; repair and decoration for electrical and mechanical and civil engineering works; vehicles and engineering machinery repair, mobile crane repair; production of rubber hoses assemblies-wire reinforced hydraulic type; casting of wear-resistant alloy products; manufacturing, further processing, erection, repair and sale of mining and smelting specialized equipment; painting, insulation and

anticorrosion works; cleansing of industrial equipment; freight transportation agent, warehousing (except dangerous goods); engaging in overseas futures hedging business; provision of import and export agency services (the import and export of the abovementioned commodities do not involve commodities which are subject to and regulated under specific regulations such as state trading, import quota license, export quota bidding and export quota license, except those commodities which the state has specific requirements.)

JCHK

JCHK is a limited company incorporated in Hong Kong in February 2012 with an issued share capital of approximately US\$140 million and its registered address is situated at Suite 4501, 45/F, Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong. JCHK is a wholly-owned subsidiary of the Company. It is principally engaged in import and export trading, import and export business settlement, overseas investment and financing, cross-border renminbi settlement and bonded business, etc.

As at 31 December 2018, the audited total assets, total liabilities and net assets of JCHK were HK\$7,304,050,000, HK\$6,048,240,000 and HK\$1,255,810,000 respectively. The realised operating income and realised net profit for the year 2018 were HK\$10,815,840,000 and HK\$44,980,000, respectively.

As at 31 December 2019, the unaudited total assets, total liabilities and net assets of JCHK were HK\$11,741,020,000, HK\$10,376,530,000 and HK\$1,364,490,000 respectively. The realised operating income and realised net profit for the year 2019 were HK\$21,530,570,000 and HK\$114,530,000 respectively.

JCI

JCI is a limited company incorporated in Hong Kong in June 2016 with an issued share capital of approximately US\$1,039.4269 million and its registered address is situated at Suite 4501, 45/F, Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong. JCI is a wholly-owned subsidiary of the Company. It is principally engaged in project investment, fund investment, investment management, investment consulting and economic information consultation.

As at 31 December 2018, the audited total assets of JCI were US\$180,804,300 and its total liabilities were US\$26,390,300.

As at 31 December 2019, the unaudited total assets of JCI were US\$2,377,959,400 and its total liabilities were US\$1,305,574,300.

REASONS FOR AND BENEFITS OF THE PROPOSED PROVISION OF GUARANTEES

The Directors (including the independent non-executive Directors) are of the view that, JCHK and JCI have been operating in a relatively stable manner in recent years with good credit standing. According to the Company's latest adjusted strategic positioning of JCHK and JCI, the Proposed Guarantee is conducive to solving the operating capital requirements of the Company's overseas subsidiaries, so as to better serve the Company's overall overseas strategy. The Company will continue to pay attention to the use of the Comprehensive Credit Facilities and the operating condition of JCHK and JCI, and to take timely measures to prevent risks and effectively control guarantee risks.

The independent non-executive Directors are of the view that, the Proposed Guarantee will not affect the independence and normal operation of the Company, nor prejudice the interests of the Company and its shareholders (the "**Shareholders**"), and are in the interest of the Company and its Shareholders as a whole. As the guaranteed parties, namely, JCHK and JCI, are both wholly-owned subsidiaries of the Company, the risk is controllable. The Proposed Guarantee and the relevant decision-making procedures comply with the relevant regulations. Hence, the independent non-executive Directors approved the said resolution.

STATUS OF GUARANTEES PROVIDED BY THE GROUP

As at the date of this announcement, the total amount of external guarantees provided by the Group amounted to RMB561,376,600 (calculated in accordance with the Company's shareholding interest in the subsidiaries), the outstanding amount of guarantees provided by the Company to its subsidiaries is RMB12,411,400 (calculated in accordance with the Company's shareholding interest in the subsidiaries), accounting for approximately 0.97% of the Company's audited net assets for the latest period. There were no overdue external guarantees provided by the Company.

II. PROPOSED ISSUANCE OF BONDS

The Company announces that on 30 March 2020, the Board approved the resolutions for the Company or its wholly-owned subsidiary established in Hong Kong, a special purpose vehicle (the "**HK Subsidiary**") to issue overseas USD-denominated bonds (the "**Proposed Bonds**") in the aggregate principal amount not exceeding US\$1 billion (the "**Proposed Issuance of Bonds**"), either on a one-off basis or in tranches. The Company will provide joint and several liability guarantee in the event that the HK Subsidiary is the issuing body of the Proposed Bonds.

The Board will put forward to the 2019 AGM to approve the authorization to any two of the internal executive Directors to handle relevant matters of the Proposed Issuance of Bonds and the listing of Proposed Bonds in accordance with the laws, regulations and normative documents as well as the market conditions when the issuance takes place.

The Proposed Issuance of Bonds and the relevant authorization will be effective for 24 months from the date of approval at the 2019 AGM.

A circular containing, among others, details of the resolutions in relation to the Proposed Guarantee and the Proposed Issuance of Bonds together with a notice of 2019 AGM will be despatched to the Shareholders in due course.

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

Nanchang, Jiangxi, the People's Republic of China, 30 March 2020

As at the date of this announcement, the executive Directors 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 are Mr. Tu Shutian, Mr. Liu Erh Fei, Mr. Liu Xike and Mr. Zhu Xingwen.