

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 PROVISION FOR
IMPAIRMENT ON ASSETS**

This announcement is made pursuant to Rule 13.09(2) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

In accordance with the provisions of the “Accounting Standards for Business Enterprises” and the relevant accounting policies, in order to provide an objective and fair reflection of the financial position and asset value of Jiangxi Copper Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) as at 31 March 2020, the Group performed impairment test on the assets within the scope of consolidation based on prudence principle, and made provision for impairment on the assets which had indication of impairment and credit impairment losses according to the impairment test results correspondingly. In the first quarter of 2020, the provision for impairment on assets and credit impairment losses of the Group was RMB734.32 million in total.

I. DETAILS OF PROVISION FOR ASSET IMPAIRMENT

Item	Provision/ (Reversal) amount <i>(RMB million)</i>
Provision for write-down of inventories	804.26
Credit impairment losses	-88.27
Impairment losses of other current assets	18.33
Total	<u>734.32</u>

Major items of impairment on assets are as follows:

(1) Provision for write-down of inventories

Based on the principle of lower of cost and net realizable amount of inventories, the provision for write-down of inventories (including raw material, work-in-progress and finished products etc.) of the Group amounted to RMB804.26 million in the first quarter of 2020. Among which, the provision for write-down of inventories of copper (including raw material, work-in-progress and finished products etc.) amounted to RMB613.08 million, mainly caused by the global epidemic outbreak and the substantial decrease of copper metal price in the first quarter; the provision for write-down of inventories of other products amounted to RMB191.18 million in total.

(2) Credit impairment losses

In the first quarter of 2020, the reversal of impairment losses arising from the rise of price of preserved assets (listed company shares) under the account receivables of the Group amounted to RMB88.27 million.

(3) Impairment losses of other current assets

In the first quarter of 2020, the provision for impairment of other current assets of the Group amounted to RMB18.33 million.

II. IMPACT ON PROFIT AND LOSS OF THE COMPANY FROM THE PROVISION FOR IMPAIRMENT

The provision for asset impairment was accounted for in impairment losses on assets and credit impairment losses. In the first quarter of 2020, the total amount of provision for impairment on assets and credit impairment losses was RMB734.32 million, which affected the net profit attributable to the parent for the year of 2020 by approximately RMB493.39 million.

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

Nanchang, Jiangxi, the People's Republic of China, 28 April 2020

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.