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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)

**VOLUNTARY ANNOUNCEMENT IN RELATION TO THE
PROGRESS OF LITIGATION OF A SUBSIDIARY**

The Board of the Company 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 by Jiangxi Copper Company Limited (the “**Company**”) on a voluntary basis.

Reference is made to the announcement of the Company dated 9 July 2021 in relation to the litigations of a subsidiary (the “**Announcement**”).

IMPORTANT NOTICE:

- Litigation (the “**Litigation**”) stage of the case: The second hearing was completed
- Status of the subsidiary of the Company: Appellant
- Amount involved: The total principal amount of goods and legal fees amounted to RMB78,058,474.74; payment of the total amount of interest payable on goods as at 30 June 2017 amounted to RMB103,845,524.25; default payment for late payment that was calculated, using RMB77,983,474.74 as the base amount, at 1.2 times of the benchmark interest rate for bank loans during the same period (“**LPR**”) for the period from 1 July 2017 to 19 August 2018, and at 1.2 times of the LPR for the period from 20 August 2018 to the date of actual payment.

- Impact of the Litigation on the Company’s profits for the current period or subsequent periods: This case involved creditor’s rights in which the Company had made bad debt provision for, and during the course of the Litigation, the Company had applied to the court for property preservation in respect of the collateral assets involved in the Litigation, and the value of relevant collateral assets after assessment is expected to cover the remaining creditor’s rights, and there is no exposure risk for the time being. The Company will pay attention to the subsequent disposal of the collateral assets to safeguard the interests of the Company as a whole.

1. BASIC INFORMATION OF THE LITIGATION

(I) Court acceptance time of the Litigation: 7 September 2021

(II) Name of court: Shanghai High People’s Court

(III) Parties to the Litigation:

1. Appellant: Shanghai Jiangxi Copper Trading Company Limited (上海江銅營銷有限公司) (“**Shanghai JCT**”), a wholly-owned subsidiary of the Company

Domicile: Room 7F-1, No. 727, Zhangjiang Road, Pilot Free Trade Zone, Shanghai

Legal Representative: Xu Wei

2. Appellee 1: Zhejiang Honglei Southeast Real Estate Development Co., Ltd. (浙江宏磊東南房地產開發有限公司) (“**Zhejiang Honglei Company**”)

Domicile: No. 123, Wangyun Road, Jiyang Street, Zhuji City, Zhejiang Province

Legal Representative: Wang Zhaowu

3. Appellee 2: Yingtian City Luzhou Real Estate Co., Ltd. (鷹潭市綠洲置業有限公司) (“**Luzhou Company**”)

Domicile: Wuhu Economic Development Zone, Yujiang County, Yingtian City, Jiangxi Province

Legal Representative: Qi Jianping (“**Ms. Qi**”)

4. Appellee 3: Zunyi Honglei Real Estate Development Co., Ltd. (遵義宏磊房地產開發有限公司) (“**Zunyi Honglei Company**”)

Domicile: Sales Department of Jinlin Mansion, East Capital, Gongqing 2nd Road, Zhongzhuang Sub-district Office, Honghuagang District, Zunyi City, Guizhou Province

Legal Representative: Qi Jiansheng

5. Appellee 4: Ms. Qi, female, Han nationality
6. Defendant in the original hearing: Shanghai Zhimaiyuanhe Industrial Co., Ltd. (上海智脈源和實業有限公司) (“**Zhimai Company**”)

Domicile: Room 1311, No. 306, Taopu Road, Putuo District, Shanghai

Legal Representative: He Qiujun

7. Defendant in the original hearing: Jin Lei, male, Han nationality
8. Defendant in the original hearing: Shi Huixia, female, Han nationality

2. **FIRST HEARING**

On 5 May 2014, Shanghai JCT and Zhimai Company entered into a 2014 annual sales contract and agreed that Zhimai Company (the purchaser) shall purchase 8,000 tonnes/year (estimated) of 8.0 mm electrical round copper wire billets and 8,000 tonnes/year (estimated) of 2.6 mm electrical round copper wires from Shanghai JCT (the seller). In order to guarantee the repayment of the principal creditor’s rights, Shanghai JCT, as the creditor, established a guarantee: it entered into maximum amount mortgage agreements with Ms. Qi (the mortgagor), Jin Lei (the mortgagor) and Shi Huixia (the mortgagor) respectively, and completed the corresponding registration of real estate mortgage; Zhejiang Honglei Company, as the pledgor, established the equity pledge and completed the corresponding registration; further, Luzhou Company, Zunyi Honglei Company and Ms. Qi were jointly and severally liable for the guarantee.

For details of the first hearing of the case, please refer to the Announcement, or “Announcement (I) in Relation to Litigation of a Subsidiary of Jiangxi Copper Company Limited” (Announcement no.: Lin 2021-027) (《江西銅業股份有限公司關於子公司訴訟的公告(一)》(公告編號：臨2021-027)) disclosed by the Company on 10 July 2021 on the website of the Shanghai Stock Exchange (www.sse.com.cn), the website of the Company (www.jxcc.com) and the Shanghai Securities News.

3. SECOND HEARING

(I) Facts and claims of the appeal

After receiving the judgement of the first hearing from the Shanghai No. 1 Intermediate People's Court and in view of the objection to the judgement made by the court of the first hearing on the determination of guarantee liabilities of Zhejiang Honglei Company, Luzhou Company, Zunyi Honglei Company and Ms. Qi, Shanghai JCT filed an appeal to the Shanghai High People's Court, requesting the withdrawal of the determination on the guarantee liabilities of the aforesaid four parties in the original hearing, and to make a judgement that they should bear their respective guarantee liabilities.

(II) Judgement on the appeal

The Shanghai High People's Court filed the case on 7 September 2021, and the second hearing of the case has now been concluded. Recently, Shanghai JCT received the judgement from the Shanghai High People's Court ((2021) Hu Min Zhong No. 490) (上海市高級人民法院判決書((2021)滬民終490號)) (“**The Civil Judgement of Shanghai High People's Court**”). The details of the judgement is as follows:

Rejected the appeal and upheld the judgement from the first hearing.

4. IMPACT OF THE LITIGATION ON THE COMPANY'S PROFITS FOR THE CURRENT PERIOD OR SUBSEQUENT PERIODS

This case involved creditor's rights in which the Company had made bad debt provision for, and during the course of the Litigation, the Company had applied to the court for property preservation in respect of the collateral assets involved in the Litigation, and the value of relevant collateral assets after assessment is expected to cover the remaining creditor's rights, and there is no exposure risk for the time being. The Company will pay attention to the subsequent disposal of the collateral assets to safeguard the interests of the Company as a whole.

5. DOCUMENTS FOR INSPECTION

(I) The Civil Judgement of Shanghai High People's Court

By Order of the Board
JIANGXI COPPER COMPANY LIMITED
Zheng Gaoqing
Chairman

Nanchang, Jiangxi, the People's Republic of China, 30 June 2022

As at the date of this announcement, the executive directors of the Company are Mr. Zheng Gaoqing, Mr. Wang Bo, Mr. Gao Jian-min, Mr. Liang Qing, Mr. Liu Fangyun, and Mr. Yu Tong; the independent non-executive directors of the Company are Mr. Liu Erh Fei, Mr. Liu Xike, Mr. Zhu Xingwen and Mr. Wang Feng.