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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)

**ANNOUNCEMENT IN RELATION TO PROVISION FOR
IMPAIRMENT ON ASSETS FOR THE YEAR 2018**

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).

At the ninth meeting of the eighth session of the board (the “**Board**”) of directors (the “**Directors**”) of Jiangxi Copper Company Limited (the “**Company**”, together with its subsidiaries collectively, the “**Group**”) convened on 27 March 2019, the “Resolution in relation to Provision for Impairment on Assets for the Year 2018” was considered and approved. Details of the provision for impairment on assets are disclosed as follows:

In accordance with the provisions of the “Accounting Standards for Business Enterprises” and relevant accounting policies, for an objective and fair reflection of the financial position and asset value of the Company as at 31 December 2018, the Company performed impairment test on the assets within the scope of consolidation based on prudence principle, and provided impairment on the assets which had indication of impairment according to the impairment test results correspondingly. Impairment loss of RMB1,850.53 million was provided for in 2018.

I. DETAILS OF PROVISION FOR ASSET IMPAIRMENT

Item	Provision for 2018 <i>(RMB million)</i>
Impairment provision for fixed assets	5.14
Impairment provision for exploration and evaluation assets	303.53
Impairment provision for assets classified as held-for-sale	95.84
Credit impairment losses	1,369.11
Provision for write-down of inventories	76.91
Total	<u>1,850.53</u>

Major items of impairment on assets for 2018 are as follows:

(1) Impairment provision for intangible assets, fixed assets and constructions in progress

Since a portion of the machinery failed to meet the production requirements, pursuant to the assessment results by the mobile energy department of the Company, provision for impairment in the amount of RMB5.14 million was made for fixed assets of the Group.

(2) Impairment provision for exploration and evaluation assets

Since the mining activities in the mining areas corresponding to the mine exploration rights and exploration and evaluation assets of Shangri-La Bisidaji Mining Company Limited are likely to be discontinued due to local environmental protection reason, provision for impairment in the amount of RMB303.53 million was made for exploration and evaluation assets.

(3) Impairment provision for assets classified as held-for-sale

Being unable to implement its environmental protection relocation plan, Kangxi Copper Company Limited, pursuant to the subsequent sales prices and estimated recoverable amount, has made provision for impairment in the amount of RMB95.84 million for assets classified as held-for-sale.

(4) Credit impairment losses

Credit impairment losses amounted to RMB1,369.11 million, mainly comprising provision for bad debt in the amount of RMB1,590.66 million and reversal in the amount of RMB221.55 million in accordance with expected credit losses or specific identification method, among which, provision for impairment for bad debts of receivables amounted to RMB1,299.44 million, with reversal in the amount of RMB5.72 million; provision for impairment for receivables of factoring business amounted to RMB140.18 million, with reversal in the amount of RMB44.97 million; provision for impairment of other receivables amounted to RMB151.04 million, with reversal in the amount of RMB170.86 million.

(5) Provision for write-down of inventories

Based on the lower of net realizable value and carrying amount, provision for write-down of inventories in the amount of RMB76.91 million was made.

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

The provision for asset impairment was accounted for in impairment losses on assets and credit impairment losses. The total amount of provision for impairment on assets for 2018 was RMB1,850.53 million, which affected the net profit attributable to owners of the parent for 2018 by RMB1.709 billion.

III. THE INDEPENDENT NON-EXECUTIVE DIRECTORS' OPINION ON PROVISION FOR IMPAIRMENT ON ASSETS

The independent non-executive Directors considered that the provision for impairment on assets was in accordance and compliance with "Accounting Standards for Business Enterprises" and the relevant accounting policies of the Company. It was made in accordance with the actual situation of the Company, with sufficient justifications and under lawful decision-making procedures. It truly and fairly reflected the asset value and financial status of the Company, and provided the investors with more truthful and reliable accounting information. The interests of the Company and its shareholders are not prejudiced. The independent non-executive Directors agreed to the provision for impairment on assets.

IV. THE OPINION OF THE BOARD ON PROVISION FOR IMPAIRMENT ON ASSETS

The Board considered that the provision for impairment on assets was in accordance with “Accounting Standards for Business Enterprises” and the actual situation of the Company, with sufficient justifications and fairly reflected the status of the Company’s assets. The Board agreed to the provision for impairment on assets.

V. THE OPINION OF THE SUPERVISORY COMMITTEE ON PROVISION FOR IMPAIRMENT ON ASSETS

The supervisory committee of the Company considered that the provision for impairment on assets was in compliance with the relevant provisions of “Accounting Standards for Business Enterprises”. It was made in accordance with the actual situation of the Company and under lawful decision-making procedures. The supervisory committee of the Company agreed to the provision for impairment on assets.

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

Nanchang, Jiangxi, the People’s Republic of China, 27 March 2019

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.