

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 RESPECT OF
CHANGES IN ACCOUNTING POLICIES**

The board (the “**Board**”) of directors (the “**Directors**”) of Jiangxi Copper Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) announces that, on 27 March 2019 and at the ninth meeting of the eighth session of the Board, the Board has resolved and approved changes in the relevant accounting policies of the Company (the “**Changes in Accounting Policies**”) in view of the promulgation of “Notice on Revision of the Format for Issuing the General Enterprise Financial Statements as at the Year 2018” (Cai Kuai [2018] No. 15) (“**Cai Kuai Document No. 15**”) and the “Interpretations of Issues Relating to the Format of General Enterprise Financial Statements of the Year 2018” (the “**Interpretations**”) by the Ministry of Finance of the People’s Republic of China (the “**PRC**”) in 2018, pursuant to which, financial statements for the year 2018 and the subsequent periods shall be prepared in accordance with Cai Kuai Document No. 15.

DETAILS OF THE CHANGES IN ACCOUNTING POLICIES

1. Cai Kuai Document No. 15 And Impact On The Group

As required by Cai Kuai Document No. 15, in balance sheet, “notes receivable” and “accounts receivable” shall be incorporated into the new item “notes and accounts receivable”; “dividends receivable” and “interests receivable” shall be incorporated into the item “other receivables”; “disposal of fixed assets” shall be incorporated into the item “fixed assets”; “project materials” shall be incorporated into the item “projects under construction”; “notes payable” and “accounts payable” shall be incorporated into the new item “notes and accounts payable”; “dividends payable”, “interests payable” and “other payables” shall be incorporated into the item “other payables”; and “special payables” shall

be incorporated into “long-term payables”; in the income statement, the item “research and development costs” shall be presented separately under the item “operating costs”; and sub-items “interest costs” and “interest income” shall be presented separately under the item “financial expenses”. The Group has made a retroactive adjustment to comparative data. These changes in accounting policies shall have no impact on consolidation, the net profits and shareholder’s equity interest of the Company.

Adjustment effects upon relevant presentations are as follows:

Impacted items in the consolidated balance sheet and the balance sheet of the parent company as at 31 December 2017:

Unit: Yuan Currency: Renminbi

	Before the Changes in Accounting Policies (As at 31 December 2017)	The Changes in Accounting Policies (Reclassified)	After the Changes in Accounting Policies (As at 31 December 2017)
Consolidated balance sheet			
Assets			
Notes receivable	3,200,366,630	(3,200,366,630)	–
Accounts receivable	9,604,252,998	(9,604,252,998)	–
Notes and accounts receivable	–	12,804,619,628	12,804,619,628
Interests receivable	169,985,118	(169,985,118)	–
Other receivables	4,782,476,040	169,985,118	4,952,461,158
Liabilities			
Notes payable	1,033,843,222	(1,033,843,222)	–
Accounts payable	6,847,564,285	(6,847,564,285)	–
Notes and accounts payable	–	7,881,407,507	7,881,407,507
Interest payable	165,751,833	(165,751,833)	–
Other payables	1,712,471,383	165,751,833	1,878,223,216

Balance sheet of the parent company	Before the Changes in Accounting Policies (As at 31 December 2017)	The Changes in Accounting Policies (Reclassified)	After the Changes in Accounting Policies (As at 31 December 2017)
Assets			
Notes receivable	3,390,660,352	(3,390,660,352)	–
Accounts receivable	6,076,234,415	(6,076,234,415)	–
Notes and accounts receivable	–	9,466,894,767	9,466,894,767
Interests receivable	2,981,268	(2,981,268)	–
Other receivables	1,342,705,506	2,981,268	1,345,686,774
Liabilities			
Accounts payable	1,988,442,632	(1,988,442,632)	–
Notes and accounts payable	–	1,988,442,632	1,988,442,632
Interest payable	34,658,599	(34,658,599)	–
Other payables	1,148,761,132	34,658,599	1,183,419,731

2. Impacts On Presentation Items Of Cash Flow Of Asset- Related Government Grants

Pursuant to the Interpretations, in preparation of the statement of cash flow, cash flow of assets-related government grants originally stated for investing activities shall be changed into cash flow used for operating activities. The Group has made retroactive adjustment to comparative data. This change in accounting policies resulted in a decrease in net cash flow generated from investing activities in the consolidated statement of cash flow and the statement of cash flow of the Company and an increase in net cash flow generated from operating activities with the same amount, but had no impact on net increase in cash and cash equivalents.

OPINION OF THE INDEPENDENT NON-EXECUTIVE DIRECTORS AND THE SUPERVISORY COMMITTEE OF THE COMPANY REGARDING THE CHANGES IN ACCOUNTING POLICIES

The independent non-executive Directors and the supervisory committee of the Company agree with the Changes in Accounting Policies and are of the view that the Changes in Accounting Policies are reasonable according to the stipulations in relevant documents of the Ministry of Finance of the PRC, they conform to the relevant requirements of the regulatory authorities such as the Ministry of Finance of the PRC, China Securities Regulatory Commission and Shanghai Stock Exchange; it shall reflect the Company's financial positions and operating results in a more objective and fairer manner, and are in line with the interests of the Company and its shareholders. Moreover, the procedures for the review of the Changes in Accounting Policies are in compliance with the requirements of relevant laws and regulations and the articles of association of the Company.

The Changes in Accounting Policies are not required to be submitted to the general meeting of the Company for consideration by its shareholders.

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

Nanchang, Jiangxi, the PRC, 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.