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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 HALF YEAR OF 2019**

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 twelfth 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 29 August 2019, the “Resolution in relation to Provision for Impairment on Assets for the Half Year of 2019” 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 the relevant accounting policies, in order to provide an objective and fair reflection of the financial position and asset value of the Company as at 30 June 2019, the Company 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 according to the impairment test results correspondingly. The provision for impairment on assets of the Group for the half year of 2019 was RMB410.90 million.

I. DETAILS OF PROVISION FOR ASSET IMPAIRMENT

Item	Provision for the half year of 2019 <i>(RMB million)</i>
Credit impairment losses	457.56
Provision for write-down of inventories	-57.29
Impairment losses of other current assets	10.63
Total	<u>410.90</u>

Major items of impairment on assets for the half year of 2019 are as follows:

(1) Credit impairment losses

Credit impairment losses amounted to RMB457.56 million, mainly comprising provision for bad debt in the amount of RMB464.66 million and reversal in the amount of RMB7.10 million in accordance with expected credit losses or specific identification method, among which, provision for impairment for bad debts of receivables amounted to RMB150.27 million, with reversal in the amount of RMB0.46 million; provision for impairment for receivables of factoring business amounted to RMB286.37 million, with reversal in the amount of RMB4.33 million; provision for impairment of other receivables amounted to RMB8.95 million, with reversal in the amount of RMB1.25 million; provision for impairment of loans of JCC Finance Company Limited amounted to RMB19.07 million, with reversal amounting to RMB1.06 million.

(2) Provision for write-down of inventories

Based on the lower of net realizable value and carrying amount, reversal of provision for write-down of inventories amounted to RMB57.29 million.

(3) Other current assets

Due to the changes in the future business development plan of Jiangxi Copper Beijing Trading Company Limited (北京江銅營銷有限公司), provision for impairment losses of deductible value-added tax of other current assets amounted to RMB10.63 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. The total amount of provision for impairment on assets for the half year of 2019 was RMB410.90 million, which affected the net profit attributable to owners of the Company for the half year of 2019 by RMB341.79 million.

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 made in accordance and compliance with the “Accounting Standards for Business Enterprises” and the relevant accounting policies of the Company and in accordance with the actual situation of the Company. It was made with sufficient justifications and the decision-making procedures were lawful. It can give a true and fair view of the asset value and financial position of the Company, and provide 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 made in accordance with the “Accounting Standards for Business Enterprises” and the actual situation of the assets 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 made in compliance with the relevant provisions of the “Accounting Standards for Business Enterprises”, in accordance with the actual situation of the Company and the decision-making procedures were lawful. 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, 29 August 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.