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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)

**CONTINUING CONNECTED TRANSACTIONS**

**(I) RENEWAL OF FINANCIAL ASSISTANCE AGREEMENT**

**AND**

**(II) RENEWAL OF FINANCE LEASE FRAMEWORK AGREEMENT**

Reference is made to the 2017 Announcement in relation to, among others, the continuing connected transactions regarding the 2017 Financial Assistance Agreement entered into between JCC Financial and JCC on 13 February 2017 and the 2017 Finance Lease Framework Agreement entered into by the Company and Shenzhen Finance Leasing Company on 13 February 2017.

**I. RENEWAL OF FINANCIAL ASSISTANCE AGREEMENT**

As the 2017 Financial Assistance Agreement and its annual cap will expire on 31 December 2019 and the Group intends to continue to carry on the transactions under the 2017 Financial Assistance Agreement, JCC Financial and JCC have entered into the New Financial Assistance Agreement on 30 December 2019.

As at the date of this announcement, as JCC holds approximately 41.90% of the issued share capital of the Company, JCC is a controlling shareholder of the Company and thus a connected person of the Company. Accordingly, the New Financial Assistance Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the maximum daily balance of credit services to be provided by JCC Financial to JCC Group under the New Financial Assistance Agreement is less than 5% under any of the applicable Percentage Ratios, they are subject to the reporting, annual review and announcement requirements but exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

## **II. RENEWAL OF FINANCE LEASE FRAMEWORK AGREEMENT**

As the 2017 Finance Lease Framework Agreement and its annual cap will expire on 31 December 2019 and the Group intends to continue to carry on the transactions under the 2017 Finance Lease Framework Agreement, the Company and Shenzhen Finance Leasing Company have entered into the New Finance Lease Framework Agreement on 30 December 2019.

As Shenzhen Finance Leasing Company is a subsidiary of JCC, it is an associate of JCC and thus a connected person of the Company. Accordingly, the New Finance Lease Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As each of the applicable Percentage Ratio(s) in relation to the proposed annual cap for the transactions contemplated under the New Finance Lease Framework Agreement is less than 5%, the continuing connected transactions contemplated thereunder are subject to the reporting, annual review and announcement requirements but exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

Reference is made to the 2017 Announcement in relation to, among others, the continuing connected transactions regarding the 2017 Financial Assistance Agreement entered into between JCC Financial and JCC on 13 February 2017 and the 2017 Finance Lease Framework Agreement entered into by the Company and Shenzhen Finance Leasing Company on 13 February 2017.

## **I. RENEWAL OF FINANCIAL ASSISTANCE AGREEMENT**

### **1. BACKGROUND**

As the 2017 Financial Assistance Agreement and its annual cap will expire on 31 December 2019 and the Group intends to continue to carry on the transactions under the 2017 Financial Assistance Agreement, JCC Financial and JCC have entered into the New Financial Assistance Agreement on 30 December 2019.

## **2. NEW FINANCIAL ASSISTANCE AGREEMENT**

The terms of the New Financial Assistance Agreement are summarised as follows:

### ***Date***

30 December 2019

### ***Parties***

1. JCC; and
2. JCC Financial, a subsidiary of the Company.

### ***Conditions***

The New Financial Assistance Agreement shall become effective upon obtaining the relevant approval on the New Financial Assistance Agreement, the transactions contemplated thereunder and the relevant annual caps in accordance with the Listing Rules and/or the Shanghai Listing Rules (if applicable).

### ***Term***

The New Financial Assistance Agreement shall be for a term commencing from 1 January 2020 to 31 December 2022.

### ***Particulars of the New Financial Assistance Agreement***

Pursuant to the New Financial Assistance Agreement, JCC Group agreed to provide financial assistance to JCC Financial by transferring part of its deposit in and loan from other financial institutions to JCC Financial while JCC Financial agreed to provide financial services to JCC Group on an ongoing basis. Such services include:

- a. cash deposit services;
- b. settlement services; and
- c. credit services.

a. *Cash deposit services*

Under the New Financial Assistance Agreement, JCC Financial agreed to accept deposits from JCC Group at interest rates with reference to the deposit rates uniformly promulgated by the PBOC or not higher than those rates quoted by other financial institutions in the PRC to JCC Group for similar services, which shall also not be higher than the rate offered by JCC Financial to other independent third parties.

JCC Financial is not required to provide any security or guarantee in relation to the financial assistance provided by JCC Group thereunder.

Since the deposit services of JCC Financial are on normal commercial terms or better for the benefit of the Group where no security over the assets of the Group is required, pursuant to Rule 14A.90 of the Listing Rules, the Company is exempt from all reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. In view of the fact that the provision of the cash deposit services is exempt under Rule 14A.90 of the Listing Rules, the interest to be payable by JCC Financial for the provision of cash deposit services to JCC Group will also be exempted under Rule 14A.90 of the Listing Rules.

b. *Settlement services*

JCC Financial agreed to provide JCC Group with settlement services for goods or capital payment to third parties and settlement services of which the service fees are regulated by national regulations. The service fees will be payable by JCC Group to JCC Financial each time the service is provided and are charged in accordance with the applicable rates set by the state. The service fees to be charged by JCC Financial for each financial year under the New Financial Assistance Agreement will not exceed RMB10 million (equivalent to approximately HK\$11,160,714).

Given that JCC Financial will not itself advance any amount to settle the payables of JCC Group, and the funding used for settlement purposes will be paid by JCC Group to settle any amount payable to a third party by JCC Group, only the fees chargeable by JCC Financial for provision of settlement services will be subject to the relevant requirements under Chapter 14A of the Listing Rules.

The applicable Percentage Ratio(s) in respect of the service fees under the settlement services in aggregate are expected to be less than 0.1% on an annual basis. Therefore, pursuant to Rule 14A.76 of the Listing Rules, the provision of such settlement services by JCC Financial will constitute de minimis continuing connected transactions which are exempt from all the reporting, annual review, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

*c. Credit services*

Pursuant to the New Financial Assistance Agreement, JCC Financial will provide credit services (including but not limited to loan services, discounted notes, commercial note acceptance, guarantee, overdraft, accounts receivable factoring and finance leases) to JCC Group. JCC Financial and JCC agreed that the total daily outstanding balance of the credit services by JCC Financial to JCC Group shall not exceed RMB2,000 million or the total daily amount of deposits in JCC Financial maintained by members of JCC Group. JCC Group agreed to provide joint and several credit guarantee to JCC Financial for loans provided to members of JCC Group. In the event that any member of JCC Group breaches the terms of the New Financial Assistance Agreement or implementation agreements in utilising the credit services, resulting in JCC Financial being unable to recover all or part of the loans, JCC Financial is entitled to offset the loan (including but not limited to the interests, default interest, penalty and other expenses in realising the debt) provided by JCC Financial to members of JCC Group from the deposit of JCC Group in JCC Financial. The amount of credit services provided to JCC Group by JCC Financial shall in no event exceed the proposed cap under the New Financial Assistance Agreement, and shall be offered on normal commercial terms or better terms to JCC Financial.

Interest rates for such loans charged by JCC Financial will be payable by JCC Group on a monthly or quarterly basis depending on the terms of the loan agreements to be entered into between the parties and are subject to the relevant guidelines and regulations of PBOC, with reference to the loan prime rate (LPR) promulgated by the PBOC or at a rate not lower than those offered by other domestic financial institutions to JCC Group for loan service of the same nature.

## **Termination**

JCC Financial and JCC Group may terminate the New Financial Assistance Agreement by serving 7 days prior written notice to the other party.

## **Proposed cap**

The historical maximum daily balance of credit services provided by JCC Financial to JCC Group for the period from the date of the 2017 Financial Assistance Agreement to 31 December 2017, for the year ended 31 December 2018 and for the eleven months ended 30 November 2019 were RMB1,098 million, RMB1,271 million and RMB1,195 million respectively (equivalent to approximately HK\$1,225,446,429, HK\$1,418,526,786 and HK\$1,333,705,357 respectively).

The proposed cap, that is the maximum daily balance of credit services to be provided by JCC Financial to JCC Group, for each of the three financial years ending 31 December 2020, 2021 and 2022 will not exceed RMB2,000 million (equivalent to approximately HK\$2,232,142,857).

In arriving at the above cap, the Directors have considered the surplus fund of each member of JCC Group and the historical amount of relevant transactions under 2017 Financial Assistance Agreement. The Directors are of the view that the Group has sufficient funds for provision of such credit services to JCC Group as the proposed cap for each of the three financial years ending 31 December 2020, 2021 and 2022 would not exceed the amount of deposits in JCC Financial maintained by members of JCC Group. The provision of credit services by JCC Financial to JCC Group is subject to the compliance with the relevant internal control measures, procedures and guidelines of JCC Financial, details of which are set out in the section headed “Risk control measures” below.

## **Risk control measures**

To alleviate and monitor the risk of JCC Financial under the New Financial Assistance Agreement, the following key measures are in place:

- (i) The establishment of JCC Financial as a non-bank financial institution was authorised by CBRC, which carries out ongoing stringent supervision over the businesses of JCC Financial. JCC Financial is required to provide regulatory report to CBRC on a monthly basis;
- (ii) Under the guidance and supervision of CBRC, JCC Financial has established comprehensive risk management system and internal control policies which effectively control risks and safeguard the assets safety of JCC Financial;

- (iii) The audit committee of the Company has incorporated the risk management measures of JCC Financial in its overall risk management framework and will oversee the compliance of such policies and operations of the risk management committee of JCC Financial, including performing a detailed annual assessment;
- (iv) JCC Financial will adopt as part of its standard approval procedures to ensure that the total outstanding balance of loans and financing services to JCC Group shall not exceed the total amount of deposits from members of JCC Group and the maximum daily balance of the outstanding loan to JCC Group shall not exceed the proposed cap under the New Financial Assistance Agreement;
- (v) The risk management committee will conduct risk assessments for all transactions under the New Financial Assistance Agreement at various stages of the transactions (including prior to the transactions, during the course of the transactions and post-transactions) and be subject to regular review by the audit committee;
- (vi) JCC Group agreed to provide guarantee to JCC Financial for all the credit services provided to JCC Group;
- (vii) The Company will ensure strict adherence to comprehensive internal guidelines and procedures in force regarding the control of financial risks and ensure strict adherence to all applicable laws and regulations; and
- (viii) The review and approval process of JCC Financial will not be subject to any influence from JCC Group for the following reasons:
  - (a) Laws and regulatory supervision – the carrying out of JCC Financial’s loan approval process and internal controls are subject to CBRC’s review and supervision. CBRC requires JCC Financial to observe independence when approving loans, failing which, will constitute a breach of PRC rules and regulations with severe penalties involved. Each individual involved in the loan approval process will be held personally liable for any failure to comply strictly with the relevant rules and regulations;
  - (b) Guidelines and procedures regarding loans to JCC Group which are approved and regularly reviewed by the audit committee will be strictly followed by JCC Financial; and
  - (c) Operations of the risk management committee are subject to review by audit committee.

### **3. REASONS FOR AND BENEFITS OF ENTERING INTO THE NEW FINANCIAL ASSISTANCE AGREEMENT**

JCC Group will transfer net deposit (i.e. excess of the total daily deposit balance of JCC Group over the total daily loan balance to JCC Group) to JCC Financial, which forms actual financial assistance to JCC Financial, supplements the available financial resources of JCC Financial, enhances the profitability of JCC Financial and hence enhances the profitability of the Company. The risk control measures adopted by JCC Financial and the Company are sufficient such that their assets would not suffer any loss from the transactions contemplated under the New Financial Assistance Agreement. The Directors (including the independent non-executive Directors but excluding the Connected Directors) consider that the terms of the New Financial Assistance Agreement are fair and reasonable, and in the interest of the Company and the Shareholders as a whole.

The Directors (excluding the Connected Directors) are further of the view that the transactions contemplated under the New Financial Assistance Agreement are beneficial to the reasonable allocation and full utilisation of the assets of the Group and JCC Group, which provides for the sharing of resources and supplement of advantages between each other and are beneficial in improving the Company's overall efficacy.

The independent non-executive Directors are of the view that the transactions contemplated under the New Financial Assistance Agreement are on normal commercial terms and in the ordinary and usual course of business of the Group. As the pricing and terms thereunder are fair and reasonable and the procedure is legal, the interests of the minority Shareholders are not prejudiced, and the transactions contemplated thereunder are fair and reasonable to the Company and all the Shareholders and in the interest of the Company and the Shareholders as a whole.

Save for Mr. Long Ziping, Mr. Zheng Gaoqing, Mr. Wang Bo, Mr. Dong Jiahui and Mr. Yu Tong who are the Connected Directors and have abstained from voting on the Board resolutions on 30 December 2019 relating to the New Financial Assistance Agreement, none of the Directors has a material interest in the New Financial Assistance Agreement or is required to abstain from voting on the Board resolutions in relation to the New Financial Assistance Agreement.

## II. NEW FINANCE LEASE FRAMEWORK AGREEMENT

### 1. BACKGROUND

As the 2017 Finance Lease Framework Agreement and its annual cap will expire on 31 December 2019 and the Group intends to continue to carry on the transactions under the 2017 Finance Lease Framework Agreement, the Company and Shenzhen Finance Leasing Company have entered into the New Finance Lease Framework Agreement on 30 December 2019.

### 2. NEW FINANCE LEASE FRAMEWORK AGREEMENT

The terms of the New Finance Lease Framework Agreement are summarised as follows:

#### ***Date***

30 December 2019

#### ***Parties***

1. the Company; and
2. Shenzhen Finance Leasing Company.

#### ***Conditions***

The New Finance Lease Framework Agreement shall become effective from 1 January 2020, after obtaining the relevant approval on the New Finance Lease Framework Agreement and the transaction contemplated thereunder in accordance with the Listing Rules and/or the Shanghai Listing Rules (if applicable).

#### ***Term***

The New Finance Lease Framework Agreement shall be for a term commencing from 1 January 2020 to 31 December 2022.

### ***Finance lease services***

Pursuant to the New Finance Lease Framework Agreement, Shenzhen Finance Leasing Group shall at the request of the Group provide finance lease services, including (i) direct lease service, (ii) sale and lease-back service and (iii) entrusted lease service, to the Group. The cooperation between the Company and Shenzhen Finance Leasing Company is non-exclusive and the Company is entitled to select other finance leasing company to provide such service.

#### *(i) Direct lease service*

In respect of direct lease service, Shenzhen Finance Leasing Group shall, at the request of the members of the Group, purchase Leased Assets from suppliers and then lease such Leased Assets to the relevant members of the Group, who shall, in return, pay rent to the relevant member(s) of Shenzhen Finance Leasing Group accordingly.

#### *(ii) Sale and lease-back service*

In respect of sale and lease-back service, Shenzhen Finance Leasing Group shall purchase Leased Assets from the members of the Group, which shall then be leased back to the relevant members of the Group, who shall pay rent to the relevant member(s) of Shenzhen Finance Leasing Group accordingly.

#### *(iii) Entrusted lease service*

In respect of the entrusted lease service, Shenzhen Finance Leasing Group shall accept funds or Leased Assets from the members of the Group and, according to written entrustment of the relevant members of the Group, provide finance lease services (including direct lease service and sale and lease-back service) to the lessees designated by such members of the Group (such lessee must be a member of the Group).

For both direct lease service and sale and lease-back service, the relevant members of the Group and Shenzhen Finance Leasing Group shall enter into execution contracts pursuant to the New Finance Lease Framework Agreement to set out the specific terms of the provision of the finance lease services in connection with the relevant Leased Asset. The term of such contracts shall not exceed the term of the New Finance Lease Framework Agreement. Upon expiry of the term of such contracts, the relevant member(s) of the Group shall be entitled to purchase or acquire the ownership of the relevant Leased Asset from the relevant member(s) of Shenzhen Finance Leasing Group at nominal value or without consideration.

### **Finance lease cost**

Pursuant to the New Finance Lease Framework Agreement, the rate of the finance lease cost of finance lease services provided by Shenzhen Finance Leasing Group shall not be higher than the benchmark loan interest rate for the same term published by the PBOC from time to time; the relevant finance lease cost shall not be higher than the finance lease cost for comparable finance lease services available from other finance leasing companies in the PRC; and the finance lease cost for similar finance lease services offered by Shenzhen Finance Leasing Group to JCC Group.

### **Payment method**

The payment method shall be determined by the respective execution agreement(s) to be entered into between the member(s) of the Group and Shenzhen Finance Leasing Group pursuant to the New Finance Lease Framework Agreement, including but not limited to fixed rental payment in advance, fixed rental payment in arrears, fixed principal payment in advance, fixed principal payment in arrears, interest payment on a monthly/quarterly/semi-annual basis and payment of principal and interest on maturity.

### **Guarantee**

The Group is not required to provide any guarantees for the finance lease services provided by Shenzhen Finance Leasing Group.

### **Termination**

The Company and Shenzhen Finance Leasing Company may terminate the New Finance Lease Framework Agreement by serving 7 days prior written notice to the other party.

### **Proposed Cap**

The historical aggregate rent payable by the Group to Shenzhen Finance Leasing Company for the period from the date of the 2017 Finance Lease Framework Agreement to 31 December 2017 and for the year ended 31 December 2018 and the total value of right-of-use assets relating to the leases entered under the 2017 Finance Lease Framework for the period from 1 January 2019 to 30 December 2019 were RMB0, RMB0 and RMB466,174,000 respectively (equivalent to approximately HK\$0, HK\$0 and HK\$520,283,482 respectively).

The maximum amounts of rent payable by the Group to Shenzhen Finance Leasing Company in respect of the finance lease services contemplated under the New Finance Lease Framework Agreement, shall not exceed RMB1,900,000,000 (equivalent to approximately HK\$2,120,535,714) for each financial year during the term of the New Finance Lease Framework Agreement. In arriving thereat, the Directors have considered the demand of the Group on finance lease services to be provided by Shenzhen Finance Leasing Group arising from the Group's future business development plan and the daily operation.

Pursuant to IFRS 16, the finance lease of the Group as lessee under the New Finance Lease Framework Agreement will be recognised as right-of-use assets. The annual caps for each of the three years ending 31 December 2020, 2021 and 2022 in respect of the finance lease under the New Finance Lease Framework Agreement are RMB1,836,000,000 (equivalent to approximately HK\$2,049,107,143) respectively. The proposed annual caps are set on the total value of right-of-use assets relating to the finance leases, which are calculated by discounting the estimated total rent in each year by a discount rate of 5% (which is equivalent to the estimated rental rate of the finance leases under the New Finance Lease Agreement).

### **3. REASONS FOR AND BENEFITS OF ENTERING INTO THE NEW FINANCE LEASE FRAMEWORK AGREEMENT**

The transactions contemplated under the New Finance Lease Framework Agreement are beneficial to the Group in expanding leasing channel, lowering investment risks and reducing financial pressure. Through tailor-made finance lease services solution provided to the Group, it can effectively increase the mobility of the assets of the Group and optimise its asset structure. The Directors (including the independent non-executive Directors but excluding the Connected Directors) consider that the terms of the New Finance Lease Framework Agreement are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

The Directors (excluding the Connected Directors) are further of the view that the transactions contemplated under the New Finance Lease Framework Agreement are beneficial to the reasonable allocation and full utilisation of the assets of the Group and Shenzhen Finance Leasing Group, which provides for the sharing of resources and supplement of advantages between each other and are beneficial in improving the Company's overall efficacy.

The independent non-executive Directors are of the view that the transactions contemplated under the New Finance Lease Framework Agreement can resolve the Company's demand for funds, satisfy its needs in, among others, production equipment, and also take full advantage of the resources and business advantages of Shenzhen Finance Leasing Group to promote the production, operation and business development of the Company. The independent non-executive Directors further consider that the transactions contemplated thereunder are on normal commercial terms and in the ordinary and usual course of business of the Group. As the pricing and terms thereunder are fair and reasonable and the procedure is legal, the interests of the minority Shareholders are not prejudiced, the transactions contemplated thereunder are fair and reasonable to the Company and all the Shareholders and in the interest of the Company and the Shareholders as a whole.

Save for Mr. Long Ziping, Mr. Zheng Gaoqing, Mr. Wang Bo, Mr. Dong Jiahui and Mr. Yu Tong who are the Connected Directors and have abstained from voting on the Board resolutions on 30 December 2019 relating to the New Finance Lease Framework Agreement, none of the Directors have a material interest in the New Finance Lease Framework Agreement or is required to abstain from voting on the Board resolutions.

### **III. LISTING RULES IMPLICATIONS**

#### **1. NEW FINANCIAL ASSISTANCE AGREEMENT**

As at the date of this announcement, as JCC holds approximately 41.90% of the issued share capital of the Company, JCC is a controlling shareholder of the Company and thus a connected person of the Company. Accordingly, the New Financial Assistance Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under chapter 14A of the Listing Rules.

As the maximum daily balance of credit services to be provided by JCC Financial to JCC Group under the New Financial Assistance Agreement is less than 5% under any of the applicable Percentage Ratios, they are subject to the reporting, annual review and announcement requirements but exempt from the independent shareholders' approval requirement pursuant to Chapter 14A of the Listing Rules.

## **2. NEW FINANCE LEASE FRAMEWORK AGREEMENT**

As Shenzhen Finance Leasing Company is a subsidiary of JCC, it is an associate of JCC and thus a connected person of the Company. Accordingly, the New Finance Lease Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As each of the applicable Percentage Ratio(s) in relation to the proposed annual cap for the transactions contemplated under the New Finance Lease Framework Agreement is less than 5%, the continuing connected transactions contemplated thereunder are subject to the reporting, annual review and announcement requirements but exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

## **IV. GENERAL INFORMATION**

### **1. INFORMATION OF THE COMPANY**

The Company is a Sino-foreign joint venture joint stock limited company incorporated in the PRC on 24 January 1997. The Company's main scope of operations include: mining, milling, smelting, further processing and related technical services of non-ferrous metals and rare metals; smelting, mangle processing and further processing of non-ferrous metal mines, rare metals, non-metal mines, non-ferrous metals and related by-products; sulfur chemical products and its extended products and fine chemical products related to the abovementioned operations; trading of non-ferrous metals and trading of precious metals; beneficiation pharmacy, rubber products; production and processing of toxic chemicals, corrosives, compressed gases and liquefied gases; sale and after-sale services for self-produced products together with related consultation services and businesses; geotechnical projects, surveying, tunneling projects; repair and decoration for electrical and mechanical and civil engineering works; vehicles and engineering machinery repair, mobile crane repair; production of rubber hoses assemblies-wire reinforced hydraulic type; casting of wear-resistant alloy products; manufacturing, further processing, erection, repair and sale of mining and smelting specialized equipment; painting, insulation and anticorrosion works; cleansing of industrial equipment; freight transportation agent, warehousing (except dangerous goods); engaging in overseas futures hedging business; provision of import and export agency services (the import and export of the abovementioned commodities do not involve commodities which are subject to and regulated under specific regulations such as state trading, import quota license, export quota bidding and export quota license, except those commodities which the state has specific requirements.)

## **2. INFORMATION ON JCC FINANCIAL**

JCC Financial is a wholly-owned subsidiary of the Company and is located in No. 527, Erqi North Road, Nanchang City, Jiangxi Province, the PRC. It was established on 8 December 2006 and has a registered capital of RMB1,000 million. Its legal representative is Mr. Yu Tong.

The principal business of JCC Financial comprises providing the member entities of the Group with financial and financing consultations, credit authentication and related consultations, and agency business; assisting the member entities of the Group to collect and pay the amount of transactions; engaging in approved insurance agency business; providing guarantees to the member entities of the Group; handling of the entrusted loans and entrusted investment among the member entities of the Group; handling acceptance and discounts of notes, internal transfer and relevant settlement and designing settlement plan for the member entities of the Group; provide deposit, loan and finance lease services for the member entities of the Group; engage in inter-bank lending ; approved issuance of bonds of JCC Financial; underwriting of corporate bonds of member entities of the Group; equity investment in financial institutions; and investment in marketable securities (operation activities for the above projects which require approval in accordance with the law shall only be carried out with the approval of relevant departments).

As of 31 December 2018, the audited total assets and net assets of JCC Financial were RMB17,793.98 million and RMB3,087.93 million, respectively.

The audited operating income and net profit of JCC Financial for the year ended 31 December 2018 were RMB529.24 million and RMB324.86 million, respectively.

## **3. INFORMATION ON JCC**

JCC, a wholly state-owned enterprise which is wholly owned and controlled by the State-owned Assets Supervision and Administration Commission of Jiangxi Province, is the controlling shareholder of the Company and located in 15 Yejin Avenue, Guixi City, Jiangxi Province, the PRC. It has a registered capital of RMB6,729.6461 million and its legal representative is Mr. Long Ziping.

JCC's principal business covers non-ferrous mines, non-metal mines, smelting and rolling processing of non-ferrous metal products, contracting of overseas non-ferrous industry projects and domestic international tender projects, export of the necessary equipment and materials for the abovementioned overseas projects, and assigning the necessary labour to overseas for the implementation of the abovementioned overseas projects.

As of 31 December 2018, the audited total assets and net assets of JCC amounted to RMB123,003.83 million and RMB53,381.80 million, respectively.

The audited operating income and net profit of JCC for the year ended 31 December 2018 were RMB216,032.91 million and RMB1,898.33 million, respectively.

#### **4. INFORMATION ON SHENZHEN FINANCE LEASING COMPANY**

Shenzhen Finance Leasing Company is a limited liability company wholly owned by JCC with registered capital of RMB800 million. It is located in Room 201, Block A, No. 1 Qian Wan Yi Road, Qianhai Shenzhen-Hong Kong Cooperation Zone, Shenzhen City. Its legal representative is Mr. Yu Tong. The principal business of Shenzhen Finance Leasing Company comprises financial leasing, leasing, purchasing domestic and overseas leased properties, handling residual value and maintenance of leased properties and providing consultation and guarantee on leasing transactions and commercial factoring business related to the principal business (non-bank financing type). Shanghai Jiangtong Finance Leasing Co., Ltd.\* (上海江銅融資租賃有限公司) is a subsidiary of Shenzhen Finance Leasing Company, principally engaged in finance leasing.

As of 31 December 2018, the audited total assets and net assets of Shenzhen Finance Leasing Company were RMB5,619.24 million and RMB754.25 million respectively. The audited operating income and net profits of Shenzhen Finance Leasing Company for the year ended 31 December 2018 were RMB145.7 million and RMB33.17 million, respectively.

As of 30 November 2019, the unaudited total assets and net assets of Shenzhen Finance Leasing Company were RMB6,802.86 million and RMB798.52 million respectively. The unaudited operating income and net profits of Shenzhen Finance Leasing Company for the eleven months ended 30 November 2019 were RMB220.18 million and RMB44.27 million, respectively.

## V. DEFINITIONS

“2017 Announcement”	the announcement of the Company dated 14 February 2017 in respect of, among others, the 2017 Financial Assistance Agreement and the 2017 Finance Lease Framework Agreement
“2017 Financial Assistance Agreement”	the financial assistance agreement dated 13 February 2017 entered into between JCC and JCC Financial for, among others, the provision of financial assistance by JCC Group to JCC Financial and provision of financial services by JCC Financial to JCC Group
“2017 Finance Lease Framework Agreement”	the finance lease framework agreement dated 13 February 2017 entered into between the Company and Shenzhen Finance Leasing Company for the provision of finance lease services by Shenzhen Finance Leasing Group to the Group
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“CBRC”	China Banking Regulatory Commission
“Company”	Jiangxi Copper Company Limited, a Sino-foreign joint venture joint stock limited company incorporated in the PRC
“Connected Directors”	the Directors who are connected to JCC Group, including Mr. Long Ziping, Mr. Zheng Gaoqing, Mr. Wang Bo, Mr. Dong Jiahui, and Mr. Yu Tong
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Directors”	director(s) of the Company
“Group”	the Company and its subsidiaries from time to time

“IFRS 16”	the International Financial Reporting Standard 16 issued by the International Accounting Standards Board, which sets out the principles for the recognition, measurement, presentation and disclosure of leases
“JCC”	Jiangxi Copper Corporation Limited, a substantial shareholder of the Company holding approximately 41.90% of the total issued share capital of the Company
“JCC Financial”	JCC Finance Company Limited (江西銅業集團財務有限公司), a subsidiary of the Company and a limited liability company established in the PRC on 8 December 2006
“JCC Group”	JCC and its subsidiaries (other than the Group) from time to time
“Leased Asset”	leased asset as stipulated under specific agreement(s) to be entered into between the member(s) of the Group and Shenzhen Finance Leasing Group in accordance with the terms of the New Finance Lease Framework Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Financial Assistance Agreement”	the financial assistance agreement dated 30 December 2019 entered into between JCC and JCC Financial for, among others, the provision of financial assistance by JCC Group to JCC Financial and provision of financial services by JCC Financial to JCC Group
“New Finance Lease Framework Agreement”	the finance lease framework agreement dated 30 December 2019 entered into between the Company and Shenzhen Finance Leasing Company for the provision of finance lease services by Shenzhen Finance Leasing Group to the Group
“PBOC”	the People’s Bank of China
“Percentage Ratio(s)”	the percentage ratio(s) as defined in Rule 14.07 of the Listing Rules

“PRC”	the People’s Republic of China
“Shanghai Listing Rules”	the rules governing the listing of securities on the Shanghai Stock Exchange
“Share(s)”	ordinary share(s) of RMB1.00 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Shares of the Company
“Shenzhen Finance Leasing Company”	Shenzhen Jiangtong Finance Leasing Co., Ltd.* (深圳江銅融資租賃有限公司), a limited liability company established in the PRC, which is held as to 75% and 25% by JCC and its wholly-owned subsidiary, Jiangtong Southern (HongKong) Limited (江銅南方(香港)有限公司) respectively
“Shenzhen Finance Leasing Group”	Shenzhen Finance Leasing Company and its subsidiaries from time to time which have finance leasing business qualification, including Shanghai Jiangtong Finance Leasing Co., Ltd.* (上海江銅融資租賃有限公司)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent

*In this announcement, the English translation of certain Chinese entities which are marked with “\*” is for identification purpose only.*

*For this announcement, translation of Renminbi into Hong Kong dollars is based on the exchange rate of HK\$1.00 = RMB0.896, and for illustrative purpose only.*

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

Nanchang, Jiangxi, the PRC, 30 December 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.*