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中国铝业股份有限公司
ALUMINUM CORPORATION OF CHINA LIMITED*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2600)

**ANNOUNCEMENT
CONTINUING CONNECTED TRANSACTION
ENTERING INTO FACTORING COOPERATION AGREEMENT
WITH CHINALCO FACTORING**

Reference is made to the announcement of the Company dated 17 August 2017, in relation to proposed development of factoring business in respect of accounts receivable by the Company with Chinalco Factoring.

On 27 September 2017, the Company entered into the Factoring Cooperation Agreement with Chinalco Factoring, pursuant to which Chinalco Factoring has agreed to provide factoring financing services to the Company in accordance with the terms and conditions set out therein, for a period commencing from the date when the Factoring Cooperation Agreement takes effect and expiring on 31 December 2018.

As at the date of this announcement, Chinalco Factoring is a subsidiary of Chinalco, the controlling Shareholder of the Company, and thus is a connected person of the Company under the Hong Kong Listing Rules. As a result, this transaction constitutes a continuing connected transaction of the Company under Chapter 14A of the Hong Kong Listing Rules. As the highest applicable percentage ratio (as defined under the Hong Kong Listing Rules) in respect of the entering into of the Factoring Cooperation Agreement and the determination of the annual caps thereunder exceeds 0.1% but is less than 5%, the Factoring Cooperation Agreement and the annual caps thereunder are subject to reporting and announcement requirements but exempt from independent shareholder's approval requirement under Chapter 14A of the Hong Kong Listing Rules.

1. INTRODUCTION

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2. FACTORING COOPERATION AGREEMENT

2.1 Date

27 September 2017

2.2 Parties

- (1) the Company, as the recipient; and
- (2) Chinalco Factoring, as the provider.

2.3 Term

Commencing from the date when the Factoring Cooperation Agreement takes effect and expiring on 31 December 2018.

2.4 Conditions Precedent

The Factoring Cooperation Agreement and the transactions thereunder shall take effect upon being approved by competent governing bodies of the parties thereto and signed and sealed by the authorized representatives of the parties thereto.

2.5 Factoring Services

Chinalco Factoring has agreed to provide factoring financing services to the Company in accordance with the terms and conditions of the Factoring Cooperation Agreement.

Subject to the Factoring Cooperation Agreement, the Company shall enter into specific contracts or agreements for such specific factoring services to specify the terms of relevant transactions. Those specific contracts or agreements must be in line with the principles and terms of the Factoring Cooperation Agreement and the relevant laws and regulations. The Company and Chinalco Factoring shall design a payment method on a flexible basis according to the specific factoring services.

2.6 Annual Caps

Within the term of the Factoring Cooperation Agreement, the annual cap for the transactions between the Company and Chinalco Factoring for both 2017 and 2018 is RMB1.3 billion.

The above annual caps are determined after taking into account (i) the demand of the Group for accounts receivable financing services; (ii) the Group's historical revenue and settlement of the accounts receivable for the year ended 31 December 2016; and (iii) the amount of the accounts receivable as disclosed in the latest financial statements of the Company.

There are no past transactions in relation to provision of factoring services by Chinalco Factoring to the Group.

2.7 Pricing Principles

The financing costs for the services to be provided by Chinalco Factoring to the Company shall be determined based on fair and reasonable market prices and normal commercial terms, and specifically, shall not be higher than those charged by third-party factoring companies in the PRC for similar services.

3. REASONS FOR AND BENEFITS OF ENTERING INTO THE FACTORING COOPERATION AGREEMENT

The Factoring Cooperation Agreement and the transaction contemplated thereunder will help to alleviate capital occupation by accounts receivable, satisfy the funding requirement for business development, support continuous business operation, improve the efficiency of capital utilization and maximize benefits.

The Directors (including independent non-executive Directors) are of the view that the transaction contemplated under the Factoring Cooperation Agreement is on normal commercial terms, is fair and reasonable and in the interests of the Company and the Shareholders as a whole, but is not in the ordinary or usual course of business of the Group due to the nature of such transaction.

4. IMPLICATIONS UNDER HONG KONG LISTING RULES

As at the date of this announcement, Chinalco Factoring is a subsidiary of Chinalco, the controlling Shareholder of the Company, and thus is a connected person of the Company under the Hong Kong Listing Rules. As a result, this transaction constitutes a continuing connected transaction of the Company under Chapter 14A of the Hong Kong Listing Rules. As the highest applicable percentage ratio (as defined under the Hong Kong Listing Rules) in respect of the entering into of the Factoring Cooperation Agreement and the determination of the annual caps thereunder exceeds 0.1% but is less than 5%, the Factoring Cooperation Agreement and the annual caps thereunder are subject to reporting and announcement requirements but exempt from independent shareholder's approval requirement under Chapter 14A of the Hong Kong Listing Rules.

As Mr. Yu Dehui and Mr. Liu Caiming, the Directors of the Company, concurrently hold positions in Chinalco, they have abstained from voting on the Board resolution with respect to the transaction contemplated under the Factoring Cooperation Agreement. Saved as disclosed above, none of the Directors has any material interest in the transaction contemplated under the Factoring Cooperation Agreement and therefore none of the other Directors has abstained from voting on such Board resolution.

5. GENERAL INFORMATION

The Company is a joint stock limited company incorporated in the PRC, the A Shares, H Shares and ADS(s) of which are listed on the Shanghai Stock Exchange, the Hong Kong Stock Exchange and the New York Stock Exchange, respectively. The Group principally engages in the mining of bauxite; the production and sales of alumina, primary aluminum and aluminum alloy products; operating of coal and electricity businesses as well as trading and logistics of non-ferrous metal products.

Chinalco Factoring is a company incorporated in the PRC with limited liability. It principally engages in provision of trade financing service by way of accounts receivable transferred; settlement, management and collection of accounts receivable; management of sales ledger; investigation and evaluation of clients' credits; relevant advisory services.

6. DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“A Share(s)”	the domestic share(s) issued by the Company and subscribed for in RMB, which are listed on the Shanghai Stock Exchange;
“ADS(s)”	the American Depository Share(s) issued by the Bank of New York Mellon as the depository bank and listed on the New York Stock Exchange, with each ADS representing 25 H Shares;
“Board”	the board of Directors of the Company;
“Chinalco”	Aluminum Corporation of China* (中國鋁業公司), a wholly state-owned enterprise established in the PRC and the controlling Shareholder of the Company holding directly and indirectly approximately 34.77% of the total issued share capital of the Company as at the date of this announcement;
“Chinalco Factoring”	Chinalco Commercial Factoring (Tianjin) Co., Ltd.*(中鋁商業保理(天津)有限公司), a company incorporated in the PRC with limited liability;

“Company”	Aluminum Corporation of China Limited* (中國鋁業股份有限公司), a joint stock limited company incorporated in the PRC, the A Shares, H Shares and ADS(s) of which are listed on the Shanghai Stock Exchange, the Hong Kong Stock Exchange and the New York Stock Exchange, respectively;
“Director(s)”	the director(s) of the Company;
“Factoring Cooperation Agreement”	the agreement dated 27 September 2017 entered into between the Company and Chinalco Factoring, pursuant to which Chinalco Factoring has agreed to provide factoring financing services to the Company;
“Group”	the Company and its subsidiaries;
“H Share(s)”	the overseas-listed foreign invested share(s) in the Company’s share capital, with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange and subscribed for in Hong Kong dollars;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“PRC”	the People’s Republic of China which, for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region and the Taiwan region;
“RMB”	Renminbi, the lawful currency of the PRC;
“Share(s)”	A Shares and H Shares;

“Shareholder(s)”

A Shareholders and H Shareholders;

“%”

per cent.

By order of the Board
Aluminum Corporation of China Limited*
Zhang Zhankui
Company Secretary

Beijing, the PRC
27 September 2017

As at the date of this announcement, the members of the Board comprise Mr. Yu Dehui, Mr. Ao Hong, Mr. Lu Dongliang and Mr. Jiang Yinggang (Executive Directors); Mr. Liu Caiming and Mr. Wang Jun (Non-executive Directors); Ms. Chen Lijie, Mr. Hu Shihai and Mr. Lie-A-Cheong Tai Chong, David (Independent Non-executive Directors).

* *For identification purposes only*