

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.



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
CONNECTED TRANSACTION
CAPITAL CONTRIBUTION TO CHINALCO CAPITAL

The Board hereby announces that, on 28 March 2019, the Company and Chinalco entered into the Capital Contribution Agreement with Chinalco Capital, pursuant to which, the Company and Chinalco agreed to make a capital contribution of RMB1,200 million in cash to Chinalco Capital in proportion to their respective shareholdings in Chinalco Capital, among which, RMB176.52 million will be contributed by the Company. Upon completion of the Capital Contribution, Chinalco Capital will continue to be owned as to 85.29% and 14.71% by each of Chinalco and the Company, and will not become a subsidiary of the Company.

As at the date of this announcement, Chinalco is the controlling Shareholder of the Company, and thus is a connected person of the Company under the Hong Kong Listing Rules. As such, the transaction contemplated under the Capital Contribution Agreement constitutes a 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 transaction contemplated under the Capital Contribution Agreement exceeds 0.1% but is less than 5%, the transaction is 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

The Board hereby announces that, on 28 March 2019, the Company and Chinalco entered into the Capital Contribution Agreement with Chinalco Capital, pursuant to which, the Company and Chinalco agreed to make a capital contribution of RMB1,200 million in cash to Chinalco Capital in proportion to their respective shareholdings, among which, RMB176.52 million will be contributed by the Company. Upon completion of the Capital Contribution, Chinalco Capital will continue to be owned as to 85.29% and 14.71% by each of Chinalco and the Company, and will not become a subsidiary of the Company.

2. CAPITAL CONTRIBUTION AGREEMENT

(1) Date

28 March 2019

(2) Parties

- (i) Chinalco;
- (ii) the Company; and
- (ii) Chinalco Capital.

(3) Capital Contribution

The Company and Chinalco agreed to make a capital contribution of RMB1,200 million in cash to Chinalco Capital in proportion to their respective shareholding in Chinalco Capital, among which, RMB176.52 million and RMB1,023.48 million will be contributed by the Company and Chinalco, respectively.

The consideration of the Capital Contribution was determined after arm's length negotiation between the parties concerned having taking into account the capital demand and future development plan of Chinalco Capital and other factors.

Upon completion of the Capital Contribution, the registered capital of Chinalco Capital will be changed from the RMB2,925,363,227.45 to RMB4,125,363,227.45. The contribution of RMB1,200 million will be fully included in paid-up capital. Chinalco Capital will continue to be owned as to 85.29% and 14.71% by Chinalco and the Company, respectively.

(4) Conditions Precedent

The Capital Contribution Agreement shall take effect upon satisfaction of all the following conditions:

- (i) The Capital Contribution Agreement has been signed and affixed with official seal by the legal or authorized representative of each of the parties concerned; and
- (ii) The respective internal approval procedures have been completed by the parties concerned.

(5) Completion

The completion date of the Capital Contribution shall be completion date of the industrial and commercial registration for the changes. After the Capital Contribution Agreement becomes effective, Chinalco Capital will convene a meeting of the board of directors and a general meeting for consideration of the revised articles of association following the Capital Contribution, and complete the industrial and commercial registration of changes within 45 working days after the Capital Contribution Agreement takes effect.

3. INFORMATION ON CHINALCO CAPITAL

Chinalco Capital is a limited liability company incorporated in the PRC with the registered capital of RMB2,925,363,227.45, and a subsidiary of Chinalco as at the date of this announcement. It is held as to 85.29% and 14.71% by Chinalco and the Company, respectively. Its scope of business includes: investment management; projects investment; assets management; investment consulting; and corporate management consulting.

According to the financial report of Chinalco Capital prepared in accordance with the generally accepted accounting principles of the PRC, the unaudited total assets and net assets of Chinalco Capital as at 31 December 2018 was RMB9,496,827,900 and RMB3,013,217,700, respectively. The net profit of Chinalco Capital for the financial years ended 31 December 2017 and 31 December 2018 (before and after taxation and extraordinary items) are set out as follows:

	For the year ended 31 December 2017 <i>(RMB0'000)</i> (audited)	For the year ended 31 December 2018 <i>(RMB0'000)</i> (unaudited)
Net profit before taxation and extraordinary items	19,012.33	26,279.10
Net profit after taxation and extraordinary items	15,349.98	21,421.73

4. REASONS FOR AND BENEFITS OF THE CAPITAL CONTRIBUTION

The Capital Contribution can facilitate Chinalco Capital's layout and development in the finance industry and allow it to further expand its operation and enhance profitability so as to increase the Company's investment income. Meanwhile, the Company increased its capital contribution to Chinalco Capital on a pro-rata basis, maintaining the stability of equity ratio, increasing the returns on investment in non-principal and non-cyclical industry and alleviating the risk arising from cyclical fluctuation in the industry where the Company operates. Meanwhile, the Company can achieve the integration of industry and finance by leveraging on the platform of Chinalco Capital, thus reserving and fostering projects for the Company.

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

5. IMPLICATIONS UNDER THE HONG KONG LISTING RULES

As at the date of this announcement, Chinalco is the controlling Shareholder of the Company, and thus is a connected person of the Company under the Hong Kong Listing Rules. As such, the transaction contemplated under the Capital Contribution Agreement constitutes a 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 transaction contemplated under the Capital Contribution Agreement exceeds 0.1% but is less than 5%, the transaction is 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. Ao Hong, a Director of the Company, concurrently holds positions in Chinalco, he has abstained from voting on the Board resolution with respect to the transaction. Saved as disclosed above, none of the Directors has any material interest in the transaction contemplated under the Capital Contribution Agreement and therefore none of the other Directors has abstained from voting on such Board resolution.

6. GENERAL INFORMATION ON THE PARTIES

Information on the Company

The Company is a joint stock limited company incorporated in the PRC, the H Shares, A Shares and ADS(s) of which are listed on the Hong Kong Stock Exchange, the Shanghai Stock Exchange and the New York Stock Exchange, respectively. The Group principally engages in the mining of bauxite and coal; production, sales and technology research of alumina, primary aluminum and aluminum alloy products; international trade; logistics business; thermal and new energy power generation.

Information on Chinalco

Chinalco, as the controlling Shareholder of the Company, directly and indirectly, holds approximately 32.06% of the shares of the Company as at the date of this announcement. Chinalco is a wholly state-owned enterprise incorporated in the PRC, whose entities and business were contributed to the Company upon the Company's establishment. The principal activities of Chinalco include the production and sales of aluminum, copper, rare earth and related non-ferrous metals mineral products, smelted products, fabrication products and carbon products, etc.

7. DEFINITIONS

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

“A Share(s)”	the domestic share(s) issued by the Company and subscribed for in RMB, which are listed on the Shanghai Stock Exchange;
“Board”	the board of Directors of the Company;
“Capital Contribution”	the capital contribution made by the Company to Chinalco Capital in cash in proportion to its shareholding under the Capital Contribution Agreement;
“Capital Contribution Agreement”	the agreement entered into among the Company, Chinalco and Chinalco Capital on 28 March 2019, pursuant to which, the Company and Chinalco agreed to make a capital contribution of RMB1,200 million in cash to Chinalco Capital in proportion to their existing shareholdings, among which RMB176.52 million will be contributed by the Company;
“Chinalco”	Aluminum Corporation of China* (中國鋁業集團有限公司), a wholly state-owned enterprise established in the PRC and the controlling Shareholder of the Company, holding directly and indirectly approximately 32.06% of the total issued share capital of the Company as at the date of this announcement;
“Chinalco Capital”	Chinalco Capital Holdings Co., Ltd.* (中鋁資本控股有限公司), a limited liability company incorporated in the PRC, and a subsidiary of Chinalco as at the date of this announcement;
“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;
“connected person(s)”	has the same meaning ascribed thereto under the Hong Kong Listing Rules;
“Director(s)”	the director(s) of 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 Taiwan;
“RMB”	Renminbi, the lawful currency of the PRC;
“Share(s)”	A Share(s) and H Share(s);
“Shareholder(s)”	holder(s) of A Shares and holder(s) of H Shares;
“subsidiary(ies)”	has the same meaning ascribed thereto under the Hong Kong Listing Rules;
“%”	per cent.

By order of the Board
Aluminum Corporation of China Limited*
Wang Jun
Company Secretary

Beijing, the PRC
28 March 2019

As at the date of this announcement, the members of the Board comprise Mr. Lu Dongliang, Jiang Yinggang and Mr. Zhu Runzhou (Executive Directors); Mr. Ao Hong 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*