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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 TRANSACTIONS
PROPOSED REVISION OF THE GENERAL AGREEMENT
ON MUTUAL PROVISION OF PRODUCTION SUPPLIES AND
ANCILLARY SERVICES

References are made to the announcement of the Company dated 17 September 2018, the circular of the Company dated 26 October 2018 and the supplemental circular of the Company dated 26 November 2018, in relation to, among other things, the renewal of the daily continuing connected transactions under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services between the Company and Chinalco and the annual caps for the three years ending 31 December 2021.

On 5 November 2001, the Company and Chinalco entered into the General Agreement on Mutual Provision of Production Supplies and Ancillary Services, pursuant to which, Chinalco and the Company shall mutually provide products and ancillary services to each other. On 17 September 2018, the agreement was renewed for three years from 1 January 2019 to 31 December 2021. The existing annual caps for the expenditure transactions of the Company under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services for the three years from 2019 to 2021 are RMB8.6 billion, RMB9.3 billion and RMB10.0 billion, respectively, and the existing annual caps for the revenue transactions under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services for the three years from 2019 to 2021 are RMB17.7 billion, RMB19.1 billion and RMB20.7 billion, respectively.

References are also made to the announcements of the Company dated 13 November 2018, 20 December 2018 and 2 January 2019, in relation to the gratuitous transfer of the 51% equity interest in Yunnan Metallurgical Group held by the State-owned Assets Supervision and Administration Commission of Yunnan Provincial People's Government to China Copper Co., Ltd., a wholly-owned subsidiary of Chinalco. Since Yunnan Metallurgical Group has become a subsidiary of Chinalco and there are transactions in relation to mutual provision of products and services between certain subsidiaries of the Company and Yunnan Metallurgical Group, the transaction amounts in relation to mutual provision of products and services for the three years ending 31 December 2021 are expected to be increased accordingly. In addition, the Company and Chinalco will also make amendments to the scope of products and services subject to mutual provision, pricing principle and method as well as other terms under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services based on the specific conditions of transactions on mutual provision of products and services between certain subsidiaries of the Company and Yunnan Metallurgical Group. In view of the foregoing, on 28 March 2019, the Board approved (i) the entering into of a supplemental agreement to the General Agreement on Mutual Provision of Production Supplies and Ancillary Services between the Company and Chinalco; and (ii) revision of the existing annual caps for the expenditure and revenue transactions between the Company and Chinalco under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services for the three years from 2019 to 2021. Such matters shall be effective subject to the approval of Independent Shareholders of the Company at the AGM.

As at the date of this announcement, the Company and Chinalco have not entered into the aforesaid supplemental agreement. The Company will fulfill its obligations of information disclosure in due course in accordance with the applicable requirements under the Hong Kong Listing Rules when executing the supplemental agreement.

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 the highest applicable percentage ratio (as defined under the Hong Kong Listing Rules) in respect of the revised annual caps for the expenditure and revenue transactions under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services exceeds 5%, the revision of the annual caps for the expenditure and revenue transactions under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services for the three years ending 31 December 2021 is subject to reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

The Company proposed to submit the matters concerning (i) the revision of the existing annual caps for the expenditure and revenue transactions between the Company and Chinalco under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services for the three years from 2019 to 2021; and (ii) the entering into of a supplemental agreement to the General Agreement on Mutual Provision of Production Supplies and Ancillary Services between the Company and Chinalco at the AGM for Independent Shareholders' approval. A circular containing, among others, (i) details on revision of the annual caps for the expenditure and revenue transactions under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services for the three years from 2019 to 2021; (ii) details on relevant terms under the supplemental agreement to the General Agreement on Mutual Provision of Production Supplies and Ancillary Services; (iii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; and (iv) a letter of advice by an independent financial adviser to the Independent Board Committee and the Independent Shareholders, will be dispatched to the Shareholders in due course.

1. BACKGROUND

References are made to the announcement of the Company dated 17 September 2018, the circular of the Company dated 26 October 2018 and the supplemental circular of the Company dated 26 November 2018, in relation to, among other things, the renewal of the daily continuing connected transactions under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services between the Company and Chinalco and the annual caps for the three years ending 31 December 2021.

On 5 November 2001, the Company and Chinalco entered into the General Agreement on Mutual Provision of Production Supplies and Ancillary Services, pursuant to which, Chinalco and the Company shall mutually provide products and ancillary services to each other. On 17 September 2018, the agreement was renewed for three years from 1 January 2019 to 31 December 2021. The existing annual caps for the expenditure transactions of the Company under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services for the three years from 2019 to 2021 are RMB8.6 billion, RMB9.3 billion and RMB10.0 billion, respectively, and the existing annual caps for the revenue transactions under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services for the three years from 2019 to 2021 are RMB17.7 billion, RMB19.1 billion and RMB20.7 billion, respectively.

References are also made to the announcements of the Company dated 13 November 2018, 20 December 2018 and 2 January 2019, in relation to the gratuitous transfer of the 51% equity interest in Yunnan Metallurgical Group held by the State-owned Assets Supervision and Administration Commission of Yunnan Provincial People's Government to China Copper Co., Ltd., a wholly-owned subsidiary of Chinalco. Since Yunnan Metallurgical Group has become a subsidiary of Chinalco and there are transactions in relation to mutual provision of products and services between certain subsidiaries of the Company and Yunnan Metallurgical Group, the transaction amounts in relation to mutual provision of products and services for the three years ending 31 December 2021 are expected to be increased accordingly. In addition, the Company and Chinalco will also make amendments to the scope of products and services subject to mutual provision, pricing principle and method as well as other terms under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services based on the specific conditions of transactions on mutual provision of products and services between certain subsidiaries of the Company and Yunnan Metallurgical Group. In view of the foregoing, on 28 March 2019, the Board approved (i) the entering into of a supplemental agreement to the General Agreement on Mutual Provision of Production Supplies and Ancillary Services between the Company and Chinalco; and (ii) revision of the existing annual caps for the expenditure and revenue transactions between the Company and Chinalco under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services for the three years from 2019 to 2021. Such matters shall be effective subject to the approval of Independent Shareholders of the Company at the AGM.

2. PROPOSED REVISION OF THE ANNUAL CAPS FOR THE EXPENDITURE AND REVENUE TRANSACTIONS UNDER THE GENERAL AGREEMENT ON MUTUAL PROVISION OF PRODUCTION SUPPLIES AND ANCILLARY SERVICES FOR THE THREE YEARS ENDING 31 DECEMBER 2021

For principal terms of the agreement, please refer to the announcement of the Company dated 17 September 2018, the circular of the Company dated 26 October 2018 and the supplemental circular of the Company dated 26 November 2018.

The Board confirmed that, as at the date of this announcement, the amounts of the expenditure and revenue transactions between the Company and Chinalco under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services in 2019 did not exceed the existing caps of RMB8.6 billion and RMB17.7 billion for 2019, respectively.

The existing annual caps for the expenditure transactions of the Company under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services for the three years ending 31 December 2021 are RMB8.6 billion, RMB9.3 billion and RMB10.0 billion, respectively, and the existing annual caps for the revenue transactions under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services for the three years ending 31 December 2021 are RMB17.7 billion, RMB19.1 billion and RMB20.7 billion, respectively.

The Company proposed to increase the annual caps for the expenditure transactions with Chinalco under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services for the three years ending 31 December 2021 to RMB14.1 billion, RMB15.3 billion and RMB17.5 billion, respectively, and to increase the annual caps for the revenue transactions thereunder for the three years ending 31 December 2021 to RMB28.4 billion, RMB30.8 billion and RMB33.5 billion, respectively. The abovementioned proposed revision of caps was determined by the Company with reference to the following factors: (i) Yunnan Metallurgical Group has become a subsidiary of Chinalco and there are transactions in relation to mutual provision of products and services between certain subsidiaries of the Company and Yunnan Metallurgical Group, resulting in a substantial increase in the amounts of expenditure and revenue transactions between the Company and Chinalco under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services; and (ii) the increase of the proposed caps provides buffer for the unexpected fluctuation of increase in the expenditure and revenue transactions under the agreement. In conclusion, the Directors (including independent non-executive Directors) are of the view that the revision of the annual caps for the expenditure and revenue transactions under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services is fair and reasonable, and in the interests of the Company and its Shareholders as a whole.

3. IMPLICATIONS UNDER 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 the highest applicable percentage ratio (as defined under the Hong Kong Listing Rules) in respect of the revised annual caps for the expenditure and revenue transactions under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services exceeds 5%, the revision of the annual caps for the expenditure and revenue transactions under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services for the three years ending 31 December 2021 is subject to reporting, announcement and Independent Shareholders' approval requirements 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 approval of the entering into of a supplemental agreement to the General Agreement on Mutual Provision of Production Supplies and Ancillary Services and the revision of the annual caps for the expenditure and revenue transactions under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services. Saved as disclosed above, none of the Directors has any material interest in the transactions and therefore none of the Directors has abstained from voting on such Board resolution.

As at the date of this announcement, the Company and Chinalco have not entered into the aforesaid supplemental agreement. The Company will fulfill its obligations of information disclosure in due course in accordance with the applicable requirements under the Hong Kong Listing Rules when executing the supplemental agreement.

The Company proposed to submit the matters concerning (i) the revision of the existing annual caps for the expenditure and revenue transactions between the Company and Chinalco under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services for the three years from 2019 to 2021; and (ii) the entering into of a supplemental agreement to the General Agreement on Mutual Provision of Production Supplies and Ancillary Services between the Company and Chinalco at the AGM for Independent Shareholders' approval. A circular containing, among others, (i) details on revision of the annual caps for the expenditure and revenue transactions under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services for the three years from 2019 to 2021; (ii) details on relevant terms under the supplemental agreement to the General Agreement on Mutual Provision of Production Supplies and Ancillary Services; (iii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; and (iv) a letter of advice by an independent financial adviser to the Independent Board Committee and the Independent Shareholders, will be dispatched to the Shareholders in due course.

4. 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.

5. 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;
“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;
“AGM”	the 2018 annual general meeting to be convened by the Company for consideration and approval of, among other things, (i) the revision of the existing annual caps for the expenditure and revenue transactions between the Company and Chinalco under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services for the three years from 2019 to 2021; and (ii) the entering into of a supplemental agreement to the General Agreement on Mutual Provision of Production Supplies and Ancillary Services between the Company and Chinalco;
“Board”	the board of Directors of the Company;

“Chinalco”	Aluminum Corporation of China* (中國鋁業集團有限公司), a wholly state-owned enterprise with limited liability incorporated 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;
“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;
“General Agreement on Mutual Provision of Production Supplies and Ancillary Services”	the general agreement on mutual provision of production supplies and ancillary services entered into between the Company and Chinalco on 5 November 2001 and renewed on 17 September 2018 for a term of three years from 1 January 2019 to 31 December 2021;
“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;

“Independent Board Committee”	the independent committee of the Board, the members of which consist of the independent non-executive Directors, formed to advise the Independent Shareholders with respect to (i) the revision of the existing annual caps for the expenditure and revenue transactions between the Company and Chinalco under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services for the three years from 2019 to 2021; and (ii) the entering into of the supplemental agreement to the General Agreement on Mutual Provision of Production Supplies and Ancillary Services between the Company and Chinalco;
“Independent Shareholder(s)”	the Shareholder(s) (other than Chinalco and its associates) who are not required to abstain from voting on the resolution to be proposed at the AGM to approve the resolution in relation to (i) the revision of the existing annual caps for the expenditure and revenue transactions between the Company and Chinalco under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services for the three years from 2019 to 2021; and (ii) the entering into of the supplemental agreement to the General Agreement on Mutual Provision of Production Supplies and Ancillary Services between the Company and Chinalco;
“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 Shares and H Shares;
“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;

“Yunnan Metallurgical Group”

Yunnan Metallurgical Group Co., Ltd.* (雲南冶金集團股份有限公司), a joint stock limited liability company incorporated in the PRC and a subsidiary of Chinalco as at the date of this announcement;

“%”

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, Mr. 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*