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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
DISCLOSEABLE TRANSACTION AND CONTINUING
CONNECTED TRANSACTION
ENTERING INTO THE NEW FINANCIAL SERVICES AGREEMENT
WITH CHINALCO FINANCE

References are made to the announcement dated 26 October 2017 and the circular dated 5 December 2017 of the Company in relation to, among other things, the entering into of the Existing Financial Services Agreement between the Company and Chinalco Finance for a term of three years from 26 October 2017 to 25 October 2020. The Board is pleased to announce that, as the Existing Financial Services Agreement between the Company and Chinalco Finance will expire on 25 October 2020, the Company renewed the New Financial Services Agreement with Chinalco Finance on 27 August 2020 to continue to regulate the financial services between the Company and Chinalco Finance.

As at the date of this announcement, Chinalco Finance is a subsidiary of Chinalco, the controlling Shareholder of the Company, and therefore a connected person of the Company under the Hong Kong Listing Rules. Accordingly, the New Financial Services Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules. As the highest applicable percentage ratio calculated in accordance with the Hong Kong Listing Rules in respect of deposit services under the New Financial Services Agreement and relevant proposed caps exceeds 5%, the deposit services under the New Financial Services Agreement and relevant proposed caps are subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

As the highest applicable percentage ratio calculated in accordance with the Hong Kong Listing Rules in respect of the deposit services under the New Financial Services Agreement and relevant proposed caps exceeds 5% but is less than 25%, such transactions constitute discloseable transactions of the Company and are subject to the reporting and announcement requirements under Chapter 14 of the Hong Kong Listing Rules.

As the credit services to be provided by Chinalco Finance to the Group are on normal commercial terms (or better to the Group) and no security over its assets will be granted by the Group in respect of such loans, therefore, the credit services to be provided by Chinalco Finance to the Group under the New Financial Services Agreement are exempt from all reporting, announcement and independent shareholders' approval requirements under Rule 14A.90 of the Hong Kong Listing Rules.

In respect of the provision of miscellaneous financial services by Chinalco Finance to the Group, as each of the percentage ratios (if applicable) is below the *de minimis* threshold set out in Rule 14A.76 of the Hong Kong Listing Rules, the provision of miscellaneous financial services by Chinalco Finance to the Group is exempt from the reporting, announcement and independent shareholders' approval requirements under the Hong Kong Listing Rules.

An EGM will be convened by the Company to seek the Independent Shareholders' approval regarding the deposit services under the New Financial Services Agreement and relevant proposed caps. A circular containing, among others, the resolution in relation to the New Financial Services Agreement will be dispatched to the Shareholders on or before 7 September 2020. A supplemental circular containing, among others, (i) details of the deposit services under the New Financial Services Agreement and relevant proposed caps; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; and (iii) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders, will be dispatched to the Shareholders on or before 8 October 2020 as the Company requires additional time to prepare and finalize certain information to be contained in the supplemental circular to enable the Shareholders to make an informed decision at the EGM.

I. INTRODUCTION

References are made to the announcement dated 26 October 2017 and the circular dated 5 December 2017 of the Company in relation to, among other things, the entering into of the Existing Financial Services Agreement between the Company and Chinalco Finance for a term of three years from 26 October 2017 to 25 October 2020. The Board is pleased to announce that, as the Existing Financial Services Agreement between the Company and Chinalco Finance will expire on 25 October 2020, the Company renewed the New Financial Services Agreement with Chinalco Finance on 27 August 2020 to continue to regulate the financial services between the Company and Chinalco Finance.

II. NEW FINANCIAL SERVICES AGREEMENT

Date of Signing

27 August 2020

Parties

1. the Company (as the recipient); and
2. Chinalco Finance (as the provider).

Effective Date and Term

The New Financial Services Agreement shall become effective upon signature by authorized signatories of both parties with their respective common seals or seals specifically for contracts affixed thereon and approval by the Board and the general meeting of the Company, and shall remain valid for a term of three years from 26 October 2020. Subject to the relevant requirements under the Hong Kong Listing Rules and the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, the New Financial Services Agreement may be renewed for a period of three years as agreed by both parties and the Company will then perform its information disclosure obligations in due course pursuant to the applicable requirements under the Hong Kong Listing Rules.

Major Terms

1. Pursuant to the New Financial Services Agreement, the Group and Chinalco Finance will cooperate on a non-exclusive basis, thereby allowing the Group to select other financial institutions for financial services at its discretion.

2. Chinalco Finance undertakes that the terms for the provision of financial services to the Group at any time shall be no less favourable than those for the same type of financial services provided by Chinalco Finance to Chinalco and other members of its group, nor less favourable than those for the same type of financial services available to the Group from major commercial banks in the PRC at the same time.
3. Chinalco Finance shall provide the following financial services to the Group in accordance with the above service principles, with the major service terms as below:

(1) *Deposit Services*

- (a) The interest rate for the deposits of the Group with Chinalco Finance shall be no lower than the interest rate for the same type of deposit announced by PBOC for the same period, no lower than the interest rate for the same type of deposit offered by major commercial banks in the PRC (including but not limited to Bank of China, Agricultural Bank of China, Industrial and Commercial Bank of China and Bank of Communications) for the same period, and no lower than the interest rate for the same type of deposit of Chinalco and other members of its group with Chinalco Finance for the same period.
- (b) In respect of deposit services, Chinalco Finance shall ensure the security of the Group's funds and promptly and fully satisfy any withdrawal request raised by the Group at any time. If Chinalco Finance fails to pay the deposits to the Group on time and in full upon request, the Group shall be entitled to terminate the New Financial Services Agreement and offset the loans due to Chinalco Finance by the Group with such deposits payable by Chinalco Finance according to the PRC laws and regulations.
- (c) The maximum daily balance of deposits (including accrued interest) placed by the Group with the settlement account of Chinalco Finance shall not exceed RMB12 billion (equivalent to approximately HK\$13.32 billion) during the validity period of the New Financial Services Agreement.

(2) *Settlement Services*

- (a) Chinalco Finance will provide payment and receipt services as well as other ancillary services relating to settlement services to the Group in accordance with the Group's instructions.
- (b) Chinalco Finance will provide the Group with the above settlement services for free.

(3) Credit Services

- (a) Subject to compliance with the relevant PRC laws and regulations, Chinalco Finance will, in accordance with the operation and development needs of the Group, provide comprehensive credit services, loan services, bill operation services and other financing services.
- (b) The interest rate for the loans to be provided by Chinalco Finance to the Group shall not exceed the interest rate for the same type of loan provided by Chinalco Finance to Chinalco and other members of its group for the same period, or the interest rate for the same type of loan provided to the Group by major commercial banks in the PRC for the same period, whichever is lower.
- (c) Chinalco Finance shall provide loans to the Group on normal commercial terms and no security is to be granted by the Group over its assets.
- (d) The maximum daily balance of loans (including accrued interest) provided by Chinalco Finance to the Group shall not exceed RMB15 billion (equivalent to approximately HK\$16.65 billion) during the validity period of the New Financial Services Agreement.

(4) Miscellaneous Financial Services

- (a) Chinalco Finance will provide miscellaneous financial services (including entrusted loans; bills acceptance; mortgage services to the parties in entrusted loans business; guarantee business (including guarantee and various letter of guarantee business)) within its business scope in accordance with the Group's instructions and requirements.
- (b) The fees charged by Chinalco Finance for the provision of aforesaid miscellaneous financial services to the Group shall be in accordance with the relevant benchmark rates for such type of service determined by PBOC or CBIRC. In addition, such fees shall not exceed those charged by major commercial banks in the PRC for the provision of the same type of financial service for the same period, or those charged by Chinalco Finance for the provision of the same type of financial service to Chinalco and other members of its group, whichever is lower.
- (c) The annual fees charged by Chinalco Finance for the provision of miscellaneous financial services to the Group shall not exceed RMB40 million (equivalent to approximately HK\$44.40 million) during the validity period of the New Financial Services Agreement.

III. INTERNAL CONTROL PROCEDURES AND CORPORATE GOVERNANCE MEASURES ADOPTED BY THE GROUP

In order to protect the interests of the Shareholders, the Group will adopt the following internal control procedures and corporate governance measures in relation to its utilisation of Chinalco Finance's services:

1. A monthly report on the status of the Group's deposits with Chinalco Finance for the previous month will be delivered by Chinalco Finance to the Company on the third business day of each month;
2. Copies of all regulatory reports submitted by Chinalco Finance to CBIRC will be provided to the Company by Chinalco Finance;
3. The financial statements of Chinalco Finance will be provided to the Company by Chinalco Finance on the fifth business day after the end of each quarter; and
4. Prior to entering into of any deposit arrangement with Chinalco Finance, the Company will communicate with Chinalco Finance and at least three independent commercial banks or financial institutions in the PRC. The interest rate for the deposit of the same type and term offered by Chinalco Finance and independent commercial banks or financial institutions will be given to the Company for comparison. If the Company is aware of that the deposit interest rate offered by Chinalco Finance is less favourable than that offered by major domestic commercial banks in the PRC for the deposit of the same type and term, the Group will not place deposits with Chinalco Finance, or it will negotiate with Chinalco Finance to re-determine the interest rate.

The Board is of the view that the above internal control procedures and corporate governance measures proposed to be adopted by the Company concerning the continuing connected transactions are appropriate and above procedures and measures will provide adequate assurance to the Shareholders that the continuing connected transactions under the New Financial Services Agreement will be appropriately monitored by the Company.

IV. HISTORICAL AMOUNTS OF THE CONTINUING CONNECTED TRANSACTIONS

1. Deposit Services

Based on the information provided by the Group, the maximum daily balance of deposits (including accrued interest) placed by the Group with Chinalco Finance for the three years ended 31 December 2019 was approximately RMB8.948 billion, RMB9.102 billion and RMB3.285 billion, respectively.

The Board further confirmed that, as at the date of this announcement, the cap of the maximum daily balance of deposits (including accrued interest) under the Existing Financial Services Agreement for the year ending 25 October 2020 has not been exceeded.

2. Settlement Services

No fees were paid by the Group to Chinalco Finance for the settlement services for the three years ended 25 October 2019. Chinalco Finance will provide the Company with the settlement services for free.

3. Credit Services

As the credit services to be provided by Chinalco Finance to the Group are on normal commercial terms (or better to the Group) and no security over its assets will be granted by the Group in respect of such loans, thus such services constitute exempt continuing connected transactions under Rule 14A.90 of the Hong Kong Listing Rules.

4. Miscellaneous Financial Services

The historical amounts paid by the Group to Chinalco Finance for the miscellaneous financial services for the three years ended 31 December 2019 were approximately RMB1 million, RMB0 and RMB0, respectively. The Company also expects that the related annual services fees payable by the Group to Chinalco Finance will remain insignificant throughout the term of the New Financial Services Agreement.

The Board further confirmed that, as at the date of this announcement, the cap of the total annual fees for the miscellaneous financial services under the Existing Financial Services Agreement for the year ending 25 October 2020 have not been exceeded.

V. PROPOSED CAPS UNDER THE NEW FINANCIAL SERVICES AGREEMENT

1. Deposit Services

Pursuant to the Existing Financial Services Agreement, the maximum daily balance of deposits (including accrued interest) placed by the Group with Chinalco Finance shall not exceed RMB12 billion (equivalent to approximately HK\$13.32 billion). Under the New Financial Services Agreement, the maximum daily balance of deposits (including accrued interest) placed by the Group with Chinalco Finance shall not exceed RMB12 billion (equivalent to approximately HK\$13.32 billion) during the validity period of the New Financial Services Agreement.

The Board, having considered that (i) the future business development of the Group and the potential increase in the overall capital scale of the Group due to the industry mergers and acquisitions; (ii) the funds deposited with Chinalco Finance can be utilized to supplement the fund requirements of the subsidiaries of the Company and increase the efficiency of funds utilization; and (iii) the interest rate for the deposits of the Group with Chinalco Finance is generally superior to the interest rate for the same type of deposit announced by PBOC for the same period and the interest rate for the same type of deposit offered by the major commercial banks in the PRC for the same period, which is beneficial to improving the level of the Company's capital gains, proposed that under the New Financial Services Agreement, the maximum daily balance of deposits (including accrued interest) placed by the Group with Chinalco Finance's settlement account during the validity period of the New Financial Services Agreement is still RMB12 billion.

2. Settlement Services

Pursuant to the Existing Financial Services Agreement, Chinalco Finance agreed to provide settlement services to the Group for free. Pursuant to the New Financial Services Agreement, Chinalco Finance agreed to provide the Group with the settlement services for free, therefore no annual cap is required to be set in this regard.

3. Credit Services

Pursuant to the Existing Financial Services Agreement, the maximum daily balance of loans (including accrued interest) provided by Chinalco Finance to the Group shall not exceed RMB15 billion (equivalent to approximately HK\$16.65 billion).

Under the New Financial Services Agreement, the maximum daily balance of loans (including accrued interest) provided by Chinalco Finance to the Group shall not exceed RMB15 billion (equivalent to approximately HK\$16.65 billion). As the credit services provided by Chinalco Finance to the Group are on normal commercial terms (or better to the Group) and no security over its assets will be granted by the Group in respect of such loans, thus such services constitute exempt continuing connected transactions under Rule 14A.90 of the Hong Kong Listing Rules, and no annual cap is required to be set in this regard.

4. Miscellaneous Financial Services

Pursuant to the Existing Financial Services Agreement, Chinalco Finance agreed to provide miscellaneous financial services with total annual fees payable to Chinalco Finance by the Group not exceeding RMB50 million (equivalent to approximately HK\$55.50 million). Under the New Financial Services Agreement, the Company expects that the total annual fees payable to Chinalco Finance by the Group during the validity period of the New Financial Services Agreement will not exceed RMB40 million (equivalent to approximately HK\$44.40 million). As each of the percentage ratios (if applicable) is below the *de minimis* threshold set out in Rule 14A.76 of the Hong Kong Listing Rules, the provision of miscellaneous financial services by Chinalco Finance to the Group is exempt from the reporting, announcement and independent shareholders' approval requirements under the Hong Kong Listing Rules, and no annual cap is required to be set in this regard.

VI. REASONS FOR AND BENEFITS OF ENTERING INTO THE NEW FINANCIAL SERVICES AGREEMENT

The reasons for the Company to enter into the New Financial Services Agreement with Chinalco Finance are as follows:

1. The settlement services through Chinalco Finance will strengthen the Company's centralized management of its subsidiaries' funds and reduce the capital transmission time, and the Company may take full advantage of the favourable policy of free settlement services provided by Chinalco Finance to duly increase the amount of settlement services to be provided by Chinalco Finance and reduce the banking commission charges payable by the Company, which is beneficial to reducing the amount of funds kept by the Company and its subsidiaries, thereby releasing more funds for turnover.

2. The Company will deposit part of its funds with Chinalco Finance, which will provide financing support to the Company's subsidiaries through operating loans of Chinalco Finance in compliance with the limits for such loans. Such arrangements will resolve the capital requirements of certain subsidiaries of the Company and enable the Company to centralize its management of the Group's credit limits and loan targets through Chinalco Finance.
3. The interest rate for the deposits of the Group with Chinalco Finance is generally superior to the interest rate for the same type of deposit announced by PBOC for the same period and the interest rate for the same type of deposit offered by the major commercial banks in the PRC for the same period, which is beneficial to improving the level of the Company's capital gains.
4. According to the New Financial Services Agreement, Chinalco Finance will provide comprehensive credit services, loan services, bill operation services and other financing services, whose interest rate shall be equivalent to or lower than the interest rate for the same type of loans provided by the major commercial banks in the PRC for the same period, and no security is to be granted by the Company over its assets, enabling the lending procedures easier and more efficient than those provided by the commercial banks.
5. The arrangement of entrusted loans for the Company's subsidiaries through Chinalco Finance may replace the high-rate loans of the Company's subsidiaries, reducing the financial expenses.
6. Chinalco Finance is regulated by PBOC and CBIRC and provides its services in accordance with and in satisfaction of the rules and operational requirements of these regulatory authorities.

The transactions contemplated under the New Financial Services Agreement will facilitate the Group to optimize its financial management, increase the efficiency of fund utilization, and reduce the cost of financing and financing risks. It will not be detrimental to the interests of the Company and will not affect the independence of the Company.

The Directors (including independent non-executive Directors) are of the view that the New Financial Services Agreement has been negotiated on arm's length basis and is entered into in the ordinary course of business and on normal commercial terms or better. The terms of the New Financial Services Agreement, the transactions contemplated thereunder, the proposed cap of the daily deposit balance (including accrued interest) are fair and reasonable and are in the interests of the Company and its Shareholders as a whole.

VII. IMPLICATIONS UNDER THE HONG KONG LISTING RULES

As at the date of this announcement, Chinalco Finance is a subsidiary of Chinalco, the controlling Shareholder of the Company, and therefore a connected person of the Company under the Hong Kong Listing Rules. Accordingly, the New Financial Services Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules. As the highest applicable percentage ratio calculated in accordance with the Hong Kong Listing Rules for deposit services under the New Financial Services Agreement and relevant proposed caps exceeds 5%, the deposit services under the New Financial Services Agreement and relevant proposed caps are subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

As the highest applicable percentage ratio calculated in accordance with the Hong Kong Listing Rules for deposit services under the New Financial Services Agreement and relevant proposed caps exceeds 5% but is less than 25%, such transactions constitute discloseable transactions of the Company and are subject to the reporting and announcement requirements under Chapter 14 of the Hong Kong Listing Rules.

As the credit services to be provided by Chinalco Finance to the Group are on normal commercial terms (or better to the Group) and no security over its assets will be granted by the Group in respect of such loans, therefore, the credit services to be provided by Chinalco Finance to the Group under the New Financial Services Agreement are exempt from all reporting, announcement and independent shareholders' approval requirements under Rule 14A.90 of the Hong Kong Listing Rules.

In respect of the provision of miscellaneous financial services by Chinalco Finance to the Group, as each of the percentage ratios (if applicable) is below the *de minimis* threshold set out in Rule 14A.76 of the Hong Kong Listing Rules, the provision of miscellaneous financial services by Chinalco Finance to the Group is exempt from the reporting, announcement and independent shareholders' approval requirements under the Hong Kong Listing Rules.

As Mr. Ao Hong, a Director of the Company, also holds a position in Chinalco, he has abstained from voting on the Board resolution in respect of these transactions. Save for the above mentioned, none of the Directors has any material interest in the transactions contemplated under the New Financial Services Agreement and therefore none of the other Directors has abstained from voting on such Board resolution.

The Independent Board Committee will be established by the Company to provide advice to the Independent Shareholders in respect of the deposit services and its proposed caps under the New Financial Services Agreement. Maxa Capital Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

An EGM will be convened by the Company to seek the Independent Shareholders' approval regarding the deposit services under the New Financial Services Agreement and relevant proposed caps. A circular containing, among others, the resolution in relation to the New Financial Services Agreement will be dispatched to the Shareholders on or before 7 September 2020. A supplemental circular containing, among others, (i) details of the deposit services under the New Financial Services Agreement and relevant proposed caps; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; and (iii) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders, will be dispatched to the Shareholders on or before 8 October 2020 as the Company requires additional time to prepare and finalize certain information to be contained in the supplemental circular to enable the Shareholders to make their informed decisions at the EGM.

VIII. GENERAL INFORMATION

Information of the Company

The Company is a joint stock limited company established 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 is principally engaged in the mining of bauxite, coal and other resources; the production, sales and technology research of alumina, primary aluminium and aluminium alloy products; international trade; logistics business; thermal and new energy power generation, etc.

Information of Chinalco Finance

Chinalco Finance is a limited liability company incorporated in the PRC, which is a subsidiary of Chinalco as at the date of this announcement. Its registered capital is RMB4.0 billion, and its business scope includes provision of finance services and financing consultancy services, credit verification and related consultancy and agency services to member companies; provision of assistance to member companies in payment and receipt of transaction proceeds; provision

of approved insurance agency services; provision of guarantees to member companies; provision of intra-group entrusted loans and entrusted investment to member companies (investments in fixed-income and marketable securities only); provision of bills acceptance and discounting services to member companies; provision of intra-group transfer and settlement services to member companies and planning of clearing and settlement scheme; provision of deposit services to member companies; provision of loans and financial leasing to member companies; provision of counterpart loans; underwriting of corporate bonds for member companies; investment in marketable securities (other than stock investment); and buyer's credit for the products of member companies.

As a licensed financial institution in the PRC, Chinalco Finance is subject to stringent regulations and is regulated by PBOC and CBIRC. CBIRC's supervision includes regular examination of the audited financial statements and other relevant materials required to be filed by the group finance companies as well as on-site inspections and interviews with the senior management of group finance companies. To ensure compliance with the relevant laws and regulations, CBIRC is entitled to issue corrective and/or disciplinary orders and to impose penalties and/or fines on group finance companies. In accordance with the relevant requirements under the Measures for Administration of Finance Companies of Enterprise Groups promulgated by CBIRC, group finance companies, including Chinalco Finance:

- (a) are not allowed to engage in non-financial services business, including property investment or trading;
- (b) must comply with the following ratio requirements: (i) the capital adequacy ratio shall not be lower than 10%; (ii) the inter-bank borrowing balance shall not exceed the total registered capital of the relevant finance company; (iii) the total amount of outstanding guarantees shall not exceed the total registered capital of the relevant finance company; (iv) the ratio of total amount of investment to total registered capital shall not exceed 70%; and (v) the ratio of self-owned fixed assets to total registered capital shall not exceed 20%; and
- (c) are required to deposit with PBOC a mandatory proportion of 7% of the RMB deposits they have received.

As far as the Directors are aware, Chinalco Finance has established stringent internal control measures to ensure effective risk management and compliance with laws and regulations, including:

- (a) it has established corporate governance structure to ensure the effectiveness of its internal control including the practice of the general manager responsibility system under the leadership of the board of directors, the setting up of the organization structure according to the check-and-

balance mechanism (such as the decision-making system, execution system, supervision and feedback system) and the establishment of the working procedures and risk control system by separating the roles and responsibilities of the front office, middle office and back office;

- (b) it has adopted a centralized, safe and efficient business system. In order to meet the needs of control of the deposit amount by a listed company, it provides a designated real time service for the Company and its subsidiaries to inquiry the balances of deposits and the transaction details so as to alert the daily deposit balance and avoid exceeding the daily cap; and
- (c) it has a sound internal control system, including effective internal rules and policies specifically for management and control of operational risk and credit risks. It has its own credit policies and credit approval procedures for loan approvals which are designed in accordance with the relevant PBOC and CBIRC regulations. It has also implemented various risk management rules to manage and monitor credit risks. The internal audit department assumes an internal independent supervisory role and is responsible for examining and auditing the business operation of other departments.

In assessing the financial risks involved in placing deposits with Chinalco Finance, the Directors have taken into account the following factors:

- (a) the operation of Chinalco Finance is subject to the supervision of PBOC and CBIRC and is regulated by the relevant PRC financial regulations and rules;
- (b) the Company has one board representative at Chinalco Finance and will thus be able to monitor the development of Chinalco Finance; and
- (c) Chinalco Finance has established internal control and risk management system in accordance with the relevant PRC financial services rules and regulations.

In light of the aforementioned, the Directors are of the view that the financial risks involved in placing deposits with Chinalco Finance is low and manageable.

Information on Chinalco

As at the date of this announcement, the Company and Chinalco Finance are both subsidiaries of Chinalco. Chinalco is a wholly state-owned enterprise incorporated in the PRC and is primarily engaged in the production and sales of aluminum, copper, rare earth and related non-ferrous metals mineral products, smelted products, fabrication products and carbon products, etc.

IX. DEFINITIONS

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

“A Share(s)”	the RMB ordinary 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;
“associate(s)”	has the same meaning ascribed thereto under the Hong Kong Listing Rules;
“Board”	the board of Directors of the Company;
“CBIRC”	formerly known as China Banking Regulatory Commission and currently named as China Banking and Insurance Regulatory Commission;
“Chinalco”	Aluminum Corporation of China* (中國鋁業集團有限公司), a wholly state-owned enterprise incorporated in the PRC and the controlling Shareholder of the Company, holding directly and indirectly approximately 32.16% of the total issued share capital of the Company as at the date of this announcement;
“Chinalco Finance”	Chinalco Finance Co., Ltd.* (中鋁財務有限責任公司), a limited liability company incorporated in the PRC, which is a subsidiary of Chinalco as at the date of this announcement. Chinalco Finance is a non-banking financial institution legally established with the approval of CBIRC and is a professional institution engaging in corporate financial services;
“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;
“EGM”	the 2020 first extraordinary general meeting to be held by the Company, for the purpose of considering and approving, among others, the deposit services under the New Financial Services Agreement and relevant proposed caps;
“Existing Financial Services Agreement”	the financial services agreement entered into between Chinalco Finance and the Company on 26 October 2017, pursuant to which Chinalco Finance agreed to provide and the Company agreed to accept relevant financial services;
“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;
“Independent Board Committee”	the independent committee of the Board, the members of which consist of all the independent non-executive Directors, formed to advise the Independent Shareholders with respect to the deposit services under the New Financial Services Agreement and relevant proposed caps;
“Independent Shareholder(s)”	the Shareholders other than Chinalco and its associates, who are not required to abstain from voting on the resolution to be proposed at the EGM for approving the deposit services under the New Financial Services Agreement and relevant proposed caps;

“New Financial Services Agreement”	the financial services agreement entered into between Chinalco Finance and the Company on 27 August 2020 to renew the continuing connected transactions contemplated under the Existing Financial Services Agreement entered into on 26 October 2017 between the above parties;
“PBOC”	the People’s Bank of China, the central bank of the PRC;
“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; and
“%”	per cent.

For the purpose of this announcement, unless otherwise indicated, the exchange rate at RMB1 = HK\$1.11 has been used, where applicable, for illustrative purpose only and does not constitute a representation that any amount has been, could have been or may be exchanged at such rate.

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

Beijing, the PRC
27 August 2020

As at the date of this announcement, the members of the Board comprise Mr. He Zhihui, 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 purpose only*