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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**  
**CONNECTED TRANSACTION**

The Board hereby announces that on 25 May 2022, as considered and approved at the 29th meeting of the seventh session of the Board, Baotou Aluminum will not exercise the option in respect of 50% equity interest in Inner Mongolia Huayun to be transferred by Baotou Communications Group to Chinalco. As at the date of this announcement, Baotou Communications Group and Chinalco have not entered into any specific agreement in relation to the aforesaid transfer of equity interest. Upon completion of the aforesaid transfer of equity interest, Inner Mongolia Huayun will remain as a subsidiary of the Company.

As at the date of this announcement, Inner Mongolia Huayun is a significant subsidiary of the Company and Baotou Communications Group directly holds 50% equity interest in Inner Mongolia Huayun. Therefore, Baotou Communications Group is a connected person of the Company at the subsidiary level under Chapter 14A of the Hong Kong Listing Rules and the non-exercise of option constitutes a connected transaction 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 exceeds 1% but is less than 5%, it is subject to the relevant reporting and announcement requirements under Chapter 14A of the Hong Kong Listing Rules but exempt from the independent shareholders' approval requirement.

## **1. INTRODUCTION**

Reference is made to the overseas regulatory announcement of the Company dated 27 August 2015 in relation to the formation of Inner Mongolia Huayun by Baotou Aluminum and Baotou Communications Group through contribution of capital. Pursuant to the joint venture contract, Baotou Aluminum may acquire the equity interest held by Baotou Communications Group in Inner Mongolia Huayun at investment cost (being the capital contribution of RMB700 million from Baotou Communications Group to Inner Mongolia Huayun and the corresponding interest as at the date of this announcement of approximately RMB202 million). Accordingly, Baotou Aluminum has been granted an option by Baotou Communications Group in respect of acquiring 50% equity interest in Inner Mongolia Huayun.

## **2. NON-EXERCISE OF OPTION**

On 25 May 2022, as considered and approved at the 29th meeting of the seventh session of the Board, Baotou Aluminum will not exercise the option in respect of 50% equity interest in Inner Mongolia Huayun to be transferred by Baotou Communications Group to Chinalco. As at the date of this announcement, Baotou Communications Group and Chinalco have not entered into any specific agreement in relation to the aforesaid transfer of equity interest. Upon completion of the aforesaid transfer of equity interest, Inner Mongolia Huayun will remain as a subsidiary of the Company.

## **3. REASONS FOR AND IMPACT OF NON-EXERCISE OF THE OPTION**

In compliance with the requirements under the Law of the People's Republic of China on State-owned Assets of Enterprises, the Measures for Supervision and Administration of State-owned Assets Transactions of Enterprises and other laws and regulations on the supervision and administration of state-owned assets, Baotou Communications Group intends to transfer 50% equity interest in Inner Mongolia Huayun to Chinalco by way of non-public agreement. According to the relevant provisions of the Measures for Supervision and Administration of State-owned Assets Transactions of Enterprises, in order to prevent the risk of the loss of state-owned assets, the transferee of 50% equity interest in Inner Mongolia Huayun shall be a wholly state-owned or solely state-owned enterprise. As Baotou Aluminum is not a wholly state-owned company and does not have the corporate nature of an eligible transferee, it is unable to exercise the option.

At the same time, the transfer of 50% equity interest in Inner Mongolia Huayun to Chinalco may better facilitate the Baotou Municipal Government in promoting the development of the Baotou Aluminum Industrial Park, which will also be conducive to the long-term development of Baotou Aluminum and Inner Mongolia Huayun in Baotou City.

The Directors (including the independent non-executive Directors) consider that the non-exercise of option was made in accordance with the requirements under the laws and regulations on the supervision and administration of state-owned assets. After the transaction, Baotou Aluminium's shareholding in Inner Mongolia Huayun will remain unchanged, Inner Mongolia Huayun will remain as a subsidiary of the Company, and the principal business and going-concern ability of the Company and Baotou Aluminum will not be adversely affected. The transactions will not have an adverse impact on the existing interests of the Company and the shareholders as a whole, but is not conducted in the ordinary or usual course of business of the Group due to the nature of the transaction.

#### 4. INFORMATION ON INNER MONGOLIA HUAYUN

Inner Mongolia Huayun is a company incorporated in the PRC with limited liability. As at the date of this announcement, Inner Mongolia Huayun is owned as to 50% by Baotou Aluminum and Baotou Communications Group, respectively, whose principal business activities are the production and sale of primary aluminum, aluminum alloy and their processed products, and carbon products.

According to the financial report of Inner Mongolia Huayun prepared in accordance with China's Accounting Standards for Business Enterprises, the book value of total assets and net assets of Inner Mongolia Huayun as at 31 December 2021 were RMB10,751.5629 million and RMB4,858.2616 million, respectively, and the net profit (before or after taxation and non-recurring items) of Inner Mongolia Huayun for the financial years ended 31 December 2020 and 31 December 2021 are set out as follows:

	<b>Financial year ended 31 December 2020</b> <i>(RMB0'000)</i> <i>(Audited)</i>	<b>Financial year ended 31 December 2021</b> <i>(RMB0'000)</i> <i>(Audited)</i>
Net profit before taxation and non-recurring items	51,176.97	166,676.92
Net profit after taxation and non-recurring items	43,450.97	143,764.72

## **5. IMPLICATIONS UNDER THE HONG KONG LISTING RULES**

As at the date of this announcement, Inner Mongolia Huayun is a significant subsidiary of the Company and Baotou Communications Group directly holds 50% equity interest in Inner Mongolia Huayun. Therefore, Baotou Communications Group is a connected person of the Company at the subsidiary level under Chapter 14A of the Hong Kong Listing Rules and the non-exercise of option constitutes a connected transaction 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 exceeds 1% but is less than 5%, it is subject to the relevant reporting and announcement requirements under Chapter 14A of the Hong Kong Listing Rules but exempt from the independent shareholders' approval requirement.

As Mr. Liu Jianping and Mr. Zhang Jilong, Directors of the Company, concurrently hold positions in Chinalco, they have abstained from voting on the Board resolution with respect to the transaction. Saved as mentioned above, none of the Directors has any material interest in the transaction and therefore none of the other Directors has abstained from voting on such Board resolution.

## **6. GENERAL INFORMATION**

### **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, coal and other resources; production, sales and technology research of alumina, primary aluminum and aluminum alloy products; international trade; logistics business; thermal and new energy power generation, etc.

### **Information on Inner Mongolia Huayun**

For information on Inner Mongolia Huayun, please refer to the section headed "4. Information on Inner Mongolia Huayun" in this announcement.

### **Information on Baotou Aluminum**

Baotou Aluminum is a limited liability company incorporated in the PRC and a wholly-owned subsidiary of the Company as at the date of this announcement. It is principally engaged in the production and sale of primary aluminum, aluminum alloy and their processed products, and carbon products.

## **Information on Baotou Communications Group**

Baotou Communications Group is a wholly state-owned company incorporated in the PRC, which is held as to 98.9901% and 1.0099% by the State-owned Assets Supervision and Administration Commission of Baotou Municipal People's Government and CDB Development Fund Co., Ltd.\* (國開發展基金有限公司) (which is held as to 100% by China Development Bank and is principally engaged in the investment in non-securities business, investment management and consulting business), respectively, as at the date of this announcement. Baotou Communications Group is principally engaged in transport infrastructure construction, scientific research, design, construction, supervision and operation management.

China Development Bank is a policy-based financial institution directly under the State Council of the PRC and is held as to 36.5362%, 34.6807%, 27.1899% and 1.5932% by the Ministry of Finance of the PRC, Central Huijin Investment Ltd.\* (中央匯金投資有限責任公司) (ultimately 100% beneficially owned by the State Council of the PRC), Wutongshu Investment Platform Co., Ltd.\* (梧桐樹投資平台有限責任公司) (100% held by the Central Foreign Exchange Business Center of the State Administration of Foreign Exchange\* (國家外匯管理局中央外匯業務中心)) and National Council for Social Security Fund\* (全國社會保障基金理事會), respectively.

## **Information on 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.

## **7. DEFINITIONS**

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

“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;

“Baotou Aluminum”	Baotou Aluminum Co., Ltd., a limited liability company incorporated in the PRC and a wholly-owned subsidiary of the Company as at the date of this announcement;
“Baotou Communications Group”	Baotou Communications Investment Group Limited Company, a wholly state-owned company incorporated in the PRC, which directly holds 50% equity interest in Inner Mongolia Huayun as at the date of this announcement;
“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 established 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;
“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;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;

“Inner Mongolia Huayun”	Inner Mongolia Huayun New Materials Co., Ltd., a company incorporated in the PRC with limited liability and a subsidiary of the Company as at the date of this announcement;
“RMB”	Renminbi, the lawful currency of the PRC;
“subsidiary(ies)”	has the same meaning ascribed thereto under the Hong Kong Listing Rules; and
“%”	per cent.

By order of the Board  
**Aluminum Corporation of China Limited\***  
**Liu Jianping**  
*Chairman*

Beijing, the PRC  
25 May 2022

*As at the date of this announcement, the members of the Board comprise Mr. Liu Jianping, Mr. Zhu Runzhou, Mr. Ou Xiaowu and Mr. Jiang Tao (Executive Directors); Mr. Zhang Jilong and Mr. Wang Jun (Non-executive Directors); Mr. Qiu Guanzhou, Mr. Yu Jinsong and Ms. Chan Yuen Sau Kelly (Independent Non-executive Directors).*

\* *For identification purpose only*