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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 CONNECTED  
TRANSACTION:  
SUPPLEMENTAL AGREEMENT ON PROPOSED ISSUANCE OF  
NEW A SHARES FOR ACQUISITION**

**Financial Adviser to the Company**



**PROPOSED ISSUANCE OF CONSIDERATION SHARES FOR  
ACQUISITION**

References are made to the announcements of the Company dated 9 October 2017, 10 November 2017, 11 December 2017, 11 January 2018, 31 January 2018, 23 February 2018, 23 April 2018, 23 May 2018, 21 June 2018 and 23 July 2018, in relation to the Restructuring.

As disclosed in the Announcement, on 31 January 2018, the Company and the Transferors entered into the Equity Acquisition Agreements, pursuant to which, the Company conditionally agreed to acquire and the Transferors conditionally agreed to sell, the Target Equity at a consideration of approximately RMB12,703,684,600 (subject to adjustment) which will be paid by the Company through issuance of a total of approximately 2,117,280,800 Consideration Shares at an issue price of RMB6.00 per Consideration Share to the Transferors. The consideration for the Target Equity will be determined with reference to the estimated appraised value of the equity interests under the preliminary valuation conducted by China United Assets Appraisal in respect of the Target Companies. The consideration for the Target Equity will be determined based on the filing of appraised value of the Target Equity with relevant competent authority(ies) and may be subject to adjustment.

On 2 July 2018, the competent authority(ies) approved the filing of the valuation reports on the Target Companies in respect of the Restructuring. According to the filing results of the valuation reports, a meeting of the Board was held on 30 July 2018 to approve, among other things, the Equity Acquisition Supplemental Agreements entered into between the Company and the Transferors on 30 July 2018, respectively, to revise certain terms of the Equity Acquisition Agreements, including the final consideration of the Proposed Acquisition and the number of the Consideration Shares to be issued.

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

As the highest applicable percentage ratio (as defined under the Hong Kong Listing Rules) of the transactions contemplated under the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) is higher than 5% but less than 25%, the Company's acquisition of the equity interests in the Target Companies held by the Transferors by issuance of Consideration Shares to the Transferors pursuant to the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) constitutes a discloseable transaction of the Company and shall be subject to reporting and announcement requirements, but exempt from shareholders' approval requirement under Chapter 14 of the Hong Kong Listing Rules.

As at the date of this announcement, Huarong Ruitong and Zhaoping Investment are substantial shareholders of Chalco Mining, a subsidiary of the Company. Pursuant to Rule 14A.09 of the Hong Kong Listing Rules, however, Chalco Mining is an insignificant subsidiary of the Company. Therefore, Huarong Ruitong and Zhaoping Investment are not connected persons of the Company under Chapter 14A of the Hong Kong Listing Rules. China Life is a substantial shareholder of Chalco Shandong and Baotou Aluminum, both being subsidiaries of the Company, and is therefore a connected person of the Company under Chapter 14A of the Hong Kong Listing Rules. Therefore, the Company's acquisition of the equity interests in the Target Companies held by China Life by the issuance of Consideration Shares to China Life 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) of the transaction is higher than 5%, the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) and the transactions contemplated thereunder shall be subject to reporting, announcement and independent shareholders' approval requirements.

In addition, as the Proposed Acquisition involves the issuance of A Shares by the Company pursuant to the Specific Mandate, the proposed issuance of Consideration Shares is subject to approval by the Independent Shareholders at the Extraordinary General Meeting and the Class Meetings by way of a special resolution in accordance with Rule 19A.38 of the Hong Kong Listing Rules.

#### **INDEPENDENT FINANCIAL ADVISER AND INDEPENDENT BOARD COMMITTEE**

VBG Capital has been appointed by the Company as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders as to, among other things, whether the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) and the transactions contemplated thereunder as well as the Specific Mandate are fair and reasonable and are in the interests of the Company and the Shareholders as a whole, and give recommendations on voting. The Independent Board Committee of the Company will be established to advise the Independent Shareholders in respect of, among other things, the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) and the transactions contemplated thereunder as well as the Specific Mandate.

## **GENERAL INFORMATION**

The Company will convene the Extraordinary General Meeting, the A Shareholders Class Meeting and the H Shareholders Class Meeting to consider and, if thought fit, to approve, among other things and if applicable, (i) the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) and the transactions contemplated thereunder; and (ii) the Specific Mandate and other resolutions. The voting in relation to above-mentioned resolutions will be conducted by way of poll. Pursuant to the Announcement, China Cinda and its associates, CPIC Life, China Life and its associates hold 133,685,331 A Shares, 16,668,900 A Shares and 41,478,108 A Shares of the Company, respectively, representing approximately 0.90%, 0.11% and 0.28% of the total issued share capital of the Company, respectively. The Company will update the information on the latest shareholding of China Cinda, CPIC Life, and China Life (and/or its associates) in the Company in the supplemental circular. China Life is a connected person of the Company under the Hong Kong Listing Rules, and China Life, Huarong Ruitong and Zhaoping Investment are related parties of the Company under the listing rules of the SSE. The abovementioned persons and all other Shareholders who are interested or involved in the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) and the transactions contemplated thereunder as well as the Specific Mandate will abstain from voting at the Extraordinary General Meeting and the Class Meetings (if applicable) on the relevant resolutions in relation to the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) and the transactions contemplated thereunder as well as the Specific Mandate.

A circular in relation to, among other things, the Proposed Acquisition and the Issuance, and containing notices of the Extraordinary General Meeting and the Class Meetings will be despatched to the Shareholders on 31 July 2018. Given that additional time is required to prepare certain information for inclusion in the circular, a supplemental circular containing, among other things, (i) further details of the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) and the transactions contemplated thereunder as well as the Specific Mandate; (ii) a letter of recommendation from the Independent Board Committee containing its advice to the Independent Shareholders in relation to the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) and the transactions contemplated thereunder as well as the Specific Mandate; and (iii) a letter of advice from VBG Capital, the independent financial adviser, to the Independent Board Committee and the Independent Shareholders in relation to the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) and the transactions contemplated thereunder as well as the Specific Mandate will be despatched to the Shareholders by the Company on or before 31 August 2018.

**As the completion of the Proposed Acquisition and the issuance of Consideration Shares is subject to the fulfillment of conditions precedent of the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements), and may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares of the Company.**

## **1. OVERVIEW**

This announcement is made by the Company pursuant to Rule 14.36 of the Hong Kong Listing Rules.

References are made to the announcements of the Company dated 9 October 2017, 10 November 2017, 11 December 2017, 11 January 2018, 31 January 2018, 23 February 2018, 23 April 2018, 23 May 2018, 21 June 2018 and 23 July 2018, in relation to the Restructuring.

As disclosed in the Announcement, on 31 January 2018, the Company and the Transferors entered into the Equity Acquisition Agreements, pursuant to which, the Company conditionally agreed to acquire and the Transferors conditionally agreed to sell, the Target Equity at a consideration of approximately RMB12,703,684,600 (subject to adjustment) which will be paid by the Company through issuance of a total of approximately 2,117,280,800 Consideration Shares at an issue price of RMB6.00 per Consideration Share to the Transferors. The consideration for the Target Equity will be determined with reference to the estimated appraised value of the equity interests under the preliminary valuation conducted by China United Assets Appraisal in respect of the Target Companies. The consideration for the Target Equity will be determined based on the filing of appraised value of the Target Equity with relevant competent authority(ies) and may be subject to adjustment.

On 2 July 2018, the competent authority(ies) approved the filing of the valuation reports on the Target Companies in respect of the Restructuring. According to the filing results of the valuation reports, a meeting of the Board was held on 30 July 2018 to approve, among other things, the Equity Acquisition Supplemental Agreements entered into between the Company and the Transferors on 30 July 2018, respectively, to revise certain terms of the Equity Acquisition Agreements, including the final consideration of the Proposed Acquisition and the number of the Consideration Shares to be issued.

## 2. MAJOR TERMS OF THE EQUITY ACQUISITION SUPPLEMENTAL AGREEMENTS

On 30 July 2018, the Company entered into the Equity Acquisition Supplemental Agreements with the Transferors respectively and agreed to make the following amendments to the major terms of each of the Equity Acquisition Agreements.

### (1) Chalco Shandong Equity Acquisition Supplemental Agreement

The percentage of equity interests in Chalco Shandong held by each of the Transferors prior to the completion of the Proposed Acquisition and to be taken as the Target Equity under the Chalco Shandong Equity Acquisition Agreement, the consideration payable and the estimated number of the Consideration Shares to be issued by the Company are set out below:

Transferors	Percentage of equity interests in Chalco Shandong held by the Transferors prior to the completion of the Proposed Acquisition and to be taken as the Target Equity	Consideration under the Equity Acquisition Agreement (RMB0'000)	Revised consideration (RMB0'000)	Consideration Shares to be issued under the Equity Acquisition Agreement (Shares)	Revised Consideration Shares to be issued (Shares)
Huarong Ruitong	4.3993%	25,491.16	25,629.9378	42,485,262	42,716,563
China Life	17.5974%	101,965.79	102,520.9162	169,942,981	170,868,193
Zhaoping Investment	2.1997%	12,745.87	12,815.2602	21,243,114	21,358,767
CPIC Life	2.1997%	12,745.87	12,815.2602	21,243,114	21,358,767
BOC Financial	1.7597%	10,196.35	10,251.8585	16,993,911	17,086,430
ICBC Financial	1.7597%	10,196.35	10,251.8585	16,993,911	17,086,430
ABC Financial	0.8799%	5,098.46	5,126.2206	8,497,438	8,543,701
<b>Total</b>	<b>30.7954%</b>	<b>178,439.84</b>	<b>179,411.3120</b>	<b>297,399,731</b>	<b>299,018,851</b>

Pursuant to the Chalco Shandong Equity Acquisition Supplemental Agreement, the total consideration for an aggregate of 30.7954% equity interests in Chalco Shandong is RMB1,794,113,120, which will be paid by the Company through issuance of an aggregate of 299,018,851 Consideration Shares at an issue price of RMB6.00 per Consideration Share to the Transferors. The consideration was determined based on the appraised value of the equity interests of Chalco Shandong as shown in the valuation report prepared by China United Assets Appraisal using the asset-based approach as

at the Valuation Benchmark Date and filed with the competent authority(ies). Particulars of the relevant valuation are as follows:

	Carrying amount of the net assets (RMB0'000)	Appraised value of the net assets (RMB0'000)	Increase/Decrease (RMB0'000)	Appreciation rate %	Consideration for 30.7954% equity interests in Chalco Shandong (RMB0'000)
	A	B	C=B-A	D=C/A × 100%	
Chalco Shandong	459,571.59	582,591.27	123,019.68	26.77%	179,411.31

*Note:* the carrying amount of the net assets of Chalco Shandong in the above table is arrived at on the parent company's basis and has been audited.

## (2) Zhongzhou Aluminum Equity Acquisition Supplemental Agreement

The percentage of equity interests in Zhongzhou Aluminum held by each of the Transferors prior to the completion of the Proposed Acquisition and to be taken as the Target Equity under the Zhongzhou Aluminum Equity Acquisition Agreement, the consideration payable and the estimated number of the Consideration Shares to be issued by the Company are set out below:

Transferors	Percentage of equity interests in Zhongzhou Aluminum held by the Transferors prior to the completion of the Proposed Acquisition and to be taken as the Target Equity	Consideration under the Equity Acquisition Agreement (RMB0'000)	Revised consideration (RMB0'000)	Consideration Shares to be issued under the Equity Acquisition Agreement (Shares)	Revised Consideration Shares to be issued (Shares)
Huarong Ruitong	5.2713%	34,603.14	34,602.6144	57,671,897	57,671,024
China Life	21.0852%	138,412.55	138,410.4576	230,687,589	230,684,096
Zhaoping Investment	2.6356%	17,301.24	17,300.9790	28,835,401	28,834,965
CPIC Life	2.6356%	17,301.24	17,300.9790	28,835,401	28,834,965
BOC Financial	2.1085%	13,841.12	13,840.9145	23,068,540	23,068,190
ICBC Financial	2.1085%	13,841.12	13,840.9145	23,068,540	23,068,190
ABC Financial	1.0543%	6,920.89	6,920.7855	11,534,817	11,534,642
<b>Total</b>	<b>36.8990%</b>	<b>242,221.31</b>	<b>242,217.6445</b>	<b>403,702,185</b>	<b>403,696,072</b>

Pursuant to the Zhongzhou Aluminum Equity Acquisition Supplemental Agreement, the total consideration for an aggregate of 36.8990% equity interests in Zhongzhou Aluminum is RMB2,422,176,445, which will be paid by the Company through issuance of an aggregate of 403,696,072 Consideration Shares at an issue price of RMB6.00 per Consideration Share to the Transferors. The consideration was determined based on the appraised value of the equity interests of Zhongzhou Aluminum as shown in the valuation report prepared by China United Assets Appraisal using the asset-based approach as at the Valuation Benchmark Date and filed with the competent authority(ies). Particulars of the relevant valuation are as follows:

	Carrying amount of the net assets <i>(RMB0'000)</i>	Appraised value of the net assets <i>(RMB0'000)</i>	Increase/ Decrease <i>(RMB0'000)</i>	Appreciation rate %	Consideration for 36.8990% equity interests in Zhongzhou Aluminum <i>(RMB0'000)</i>
	A	B	C=B-A	D=C/A × 100%	
Zhongzhou Aluminum	579,648.57	656,434.17	76,785.60	13.25%	242,217.64

*Note:* the carrying amount of the net assets of Zhongzhou Aluminum in the above table is arrived at on the parent company's basis and has been audited.



### (3) Baotou Aluminum Equity Acquisition Supplemental Agreement

The percentage of equity interests in Baotou Aluminum held by each of the Transferors prior to the completion of the Proposed Acquisition and to be taken as the Target Equity under the Baotou Aluminum Equity Acquisition Agreement, the consideration payable and the estimated number of the Consideration Shares to be issued by the Company are set out below:

Transferors	Percentage of equity interests in Baotou Aluminum held by the Transferors prior to the completion of the Proposed Acquisition and to be taken as the Target Equity	Consideration under the Equity Acquisition Agreement (RMB0'000)	Revised consideration (RMB0'000)	Consideration Shares to be issued under the Equity Acquisition Agreement (Shares)	Revised Consideration Shares to be issued (Shares)
Huarong Ruitong	3.6678%	38,114.48	38,092.1175	63,524,129	63,486,862
China Life	14.6714%	152,459.99	152,370.5466	254,099,979	253,950,911
Zhaoping Investment	1.8339%	19,057.24	19,046.0587	31,762,064	31,743,431
CPIC Life	1.8339%	19,057.24	19,046.0587	31,762,064	31,743,431
BOC Financial	1.4671%	15,245.58	15,236.6391	25,409,305	25,394,398
ICBC Financial	1.4671%	15,245.58	15,236.6391	25,409,305	25,394,398
ABC Financial	0.7336%	7,623.31	7,618.8387	12,705,518	12,698,064
<b>Total</b>	<b>25.6748%</b>	<b>266,803.42</b>	<b>266,646.8984</b>	<b>444,672,364</b>	<b>444,411,495</b>

Pursuant to the Baotou Aluminum Equity Acquisition Supplemental Agreement, the total consideration for an aggregate of 25.6748% equity interests in Baotou Aluminum is RMB2,666,468,984, which will be paid by the Company through issuance of an aggregate of 444,411,495 Consideration Shares at an issue price of RMB6.00 per Consideration Share to the Transferors. The consideration was determined based on the appraised value of the equity interests of Baotou Aluminum as shown in the valuation report prepared by China United Assets Appraisal using the income approach as at

the Valuation Benchmark Date and filed with the competent authority(ies). Particulars of the relevant valuation are as follows:

	Carrying amount of the net assets (RMB0'000)	Appraised value of the net assets (RMB0'000)	Increase/ Decrease (RMB0'000)	Appreciation rate %	Consideration for 25.6748% equity interests in Baotou Aluminum (RMB0'000)
	A	B	C=B-A	D=C/A × 100%	
Baotou Aluminum	698,548.77	1,038,554.92	340,006.15	48.67%	266,646.90

*Note:* the carrying amount of the net assets of Baotou Aluminum in the above table is arrived at on the parent company's basis and has been audited.

#### (4) Chalco Mining Equity Acquisition Supplemental Agreement

The percentage of equity interests in Chalco Mining held by each of the Transferors prior to the completion of the Proposed Acquisition and to be taken as the Target Equity under the Chalco Mining Equity Acquisition Agreement, the consideration payable and estimated number of Consideration Shares to be issued by the Company are set out below:

Transferors	Percentage of equity interests in Chalco Mining held by the Transferors prior to the completion of the Proposed Acquisition and to be taken as the Target Equity	Consideration under the Equity Acquisition Agreement (RMB0'000)	Revised consideration (RMB0'000)	Consideration Shares to be issued under the Equity Acquisition Agreement (Shares)	Revised Consideration Shares to be issued (Shares)
Huarong Ruitong	56.5867%	406,534.30	406,635.4892	677,557,168	677,725,815
China Life	1.3676%	9,825.21	9,827.6574	16,375,353	16,379,429
Zhaoping Investment	14.2322%	102,248.01	102,273.4601	170,413,350	170,455,766
China Cinda	7.0306%	50,509.75	50,522.3219	84,182,916	84,203,869
CPIC Life	0.1709%	1,227.79	1,228.0979	2,046,320	2,046,829
BOC Financial	1.5429%	11,084.61	11,087.3738	18,474,358	18,478,956
ICBC Financial	0.1368%	982.81	983.0532	1,638,014	1,638,422
ABC Financial	0.0684%	491.40	491.5266	819,007	819,211
<b>Total</b>	<b>81.1361%</b>	<b>582,903.89</b>	<b>583,048.9801</b>	<b>971,506,486</b>	<b>971,748,297</b>

Pursuant to the Chalco Mining Equity Acquisition Supplemental Agreement, the total consideration for an aggregate of 81.1361% equity interests in Chalco Mining is RMB5,830,489,801, which will be paid by the Company through issuance of an aggregate of 971,748,297 Consideration Shares at an issue price of RMB6.00 per Consideration Share to the Transferors. The consideration was determined based on the appraised value of the equity interests of Chalco Mining as shown in the valuation report prepared by China United Assets Appraisal using the asset-based approach as at the Valuation Benchmark Date and filed with the competent authority(ies). Particulars of the relevant valuation are as follows:

	Carrying amount of the net assets (RMB0'000)	Appraised value of the net assets (RMB0'000)	Increase/ Decrease (RMB0'000)	Appreciation rate %	Consideration for 81.1361% equity interests in Chalco Mining (RMB0'000)
	A	B	C=B-A	D=C/A × 100%	
Chalco Mining	658,844.52	718,606.12	59,761.60	9.07%	583,048.98

*Note:* the carrying amount of the net assets of Chalco Mining in the above table is arrived at on the parent company's basis and has been audited.

The total consideration under the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) amounts to approximately RMB12,713,248,350, which will be paid by the Company through issuance of an aggregate of 2,118,874,715 Consideration Shares at an issue price of RMB6.00 per Consideration Share to the Transferors. Such Consideration Shares shall be listed for trading on the SSE.

Based on the abovementioned issue price and the revised consideration of the Target Equity, the number of Consideration Shares to be issued by the Company to the Transferors for acquisition of the Target Equity under the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) is expected to be approximately 2,118,874,715 Shares in aggregate, representing approximately 14.22% of the total issued share capital of the Company as at the date of this announcement and approximately 12.45% of the enlarged total issued share capital of the Company as a result of the issuance

of the Consideration Shares. The table below sets out details of the issuance of Consideration Shares to the Transferors:

<b>Transferors</b>	<b>Number of Consideration Shares to be issued (0'000 shares)</b>
Huarong Ruitong	84,160.0264
China Life	67,188.2629
Zhaoping Investment	25,239.2929
China Cinda	8,420.3869
CPIC Life	8,398.3992
BOC Financial	8,402.7974
ICBC Financial	6,718.7440
ABC Financial	3,359.5618
<b>Total</b>	<b>211,887.4715</b>

The final number of the Consideration Shares to be issued shall be determined based on the final consideration for the Proposed Acquisition and subject to the approvals at the Extraordinary General Meeting and the Class Meetings of the Company and by the CSRC.

**Save as disclosed above, other major terms of the Equity Acquisition Agreements disclosed in the Announcement shall remain unchanged.**

### **3. PROFIT FORECAST REQUIREMENTS UNDER THE HONG KONG LISTING RULES**

As disclosed above, the valuation of the equity interests of Baotou Aluminum was prepared by China United Assets Appraisal using the income approach. Therefore, the valuation shall be deemed as a profit forecast of Baotou Aluminum under Rule 14.61 of the Hong Kong Listing Rules. Therefore, the details of the valuation are disclosed below as required under Rule 14.62 of the Hong Kong Listing Rules.

As shown in the valuation report prepared by China United Assets Appraisal, the major assumptions used as the basis for the profit forecast on the equity interests of Baotou Aluminum (including commercial assumptions) are set out as follows:

- (1) Transaction assumption: assuming all the assets to be valued are already in the process of transaction and the valuer carries out the valuation based on a simulated market which involves the transaction conditions of the assets to be valued. Transaction assumption is the most fundamental assumption for the valuation of assets;

- (2) Open market assumption: assuming that both parties of the assets transaction or the proposed assets transaction in the market are in equal position and have opportunities and time to obtain sufficient market information, so as to make rational judgments on the functions, purposes and transaction prices of the assets. The open market assumption is based on the fact that the assets can be traded openly in the market;
- (3) Going-concern assumption: means that the valuation method, parameters and basis shall be determined in accordance with the condition that the valued assets will be continuously used in consistence with their current functions and methods, scale, frequency and environment of application, or used on the basis of certain changes thereof;
- (4) The external economic environment remains unchanged and the current national macroeconomic conditions will not change significantly as at the Valuation Benchmark Date;
- (5) There will be no significant change in the social and economic environment where the enterprise operates and the applicable policies on tax and tax rate, etc.;
- (6) The future management team of the enterprise will be diligent and will continue the existing management models without making any significant change;
- (7) The acquisition and utilization methods of the business premises of the appraised enterprise remain in line with those at the Valuation Benchmark Date without any change;
- (8) Assuming that the basic information and financial information provided by the principal and the appraised enterprise is true, accurate and complete;
- (9) The scope of the valuation is subject to the application form for valuation provided by the principal and the appraised enterprise, without taking into account the contingent assets and contingent liabilities, if any, not included in the list provided by the principal and the appraised enterprise;
- (10) The assets composition, the structure of principal operations, the composition of income and cost, sales strategy and cost control of the appraised enterprise in the forecast period shall remain substantially unchanged, without taking into account any profit or loss brought about by changes in assets composition, principal operations and business structure arising from changes in management team, operation strategy and business environment;

- (11) In future operating periods, the costs and expenses of the appraised enterprise will not change significantly and will continue the movement trends in the recent years. Given that the monetary resources or bank deposits of the appraised enterprise will change frequently or considerably in the course of business, the report does not take into account any interest income of deposits or any contingent gain or loss (such as exchange gain or loss) when appraising financial expenses;
- (12) The appraised enterprise will be able to ramp up its production capacity as scheduled according to the investment plan related to profit forecast.

Ernst & Young, the reporting auditor of the Company, has reviewed the arithmetical accuracy of the calculations of the relevant forecasts, which do not involve the adoption of accounting policies, underlying the valuation. CITIC Securities Co., Ltd., as the financial adviser of the Company in relation to the Proposed Acquisition and the Issuance, has confirmed that the profit forecast on the equity interests of Baotou Aluminum, including assumptions, contained in the valuation report has been made by the Board with due care and consideration and objectivity, and on a reasonable basis. Letters from Ernst & Young and CITIC Securities Co., Ltd. are set out respectively in appendices I and II to this announcement.

The following is the qualification of each of the experts who has provided its conclusion or advice, which is contained in this announcement:

<b>Name</b>	<b>Qualification</b>	<b>Date of conclusion or advice</b>
Ernst & Young	Certified Public Accountants	30 July 2018
China United Assets Appraisal	Qualified PRC valuer	10 April 2018
CITIC Securities Co., Ltd.	Financial adviser	30 July 2018

As at the date of this announcement, as far as the Directors are aware, each of the experts was not beneficially interested in the share capital of any member of the Group nor did it have any right (whether legally enforceable or not) to subscribe for or to nominate other persons to subscribe for any shares, convertible securities, warrants, options or derivatives which carry voting rights in any member of the Group.

Each of the experts has given and has not withdrawn its written consent to the issue of this announcement with the inclusion herein of its letter and/or references to its name in the form and context in which they respectively appear.

#### 4. EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY UPON COMPLETION OF THE PROPOSED ACQUISITION AND THE ISSUANCE

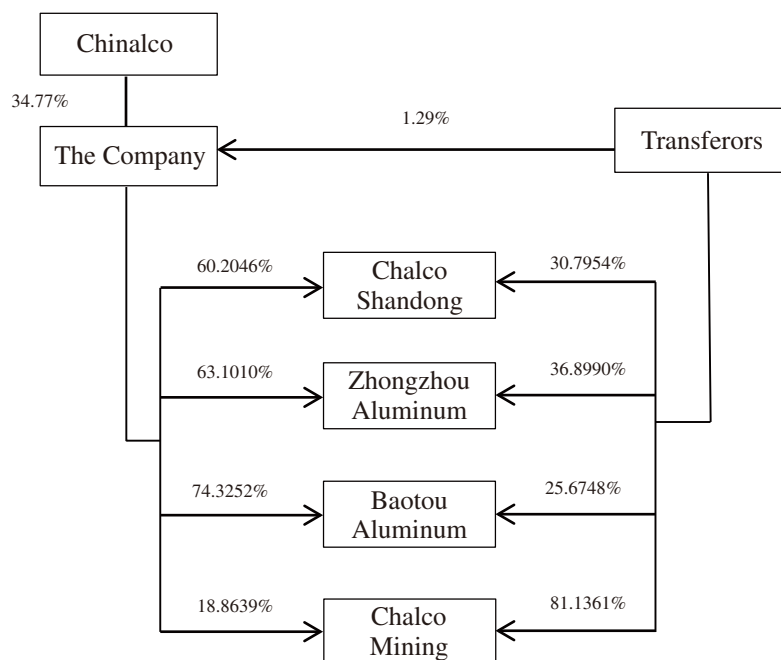
The table below sets out the shareholding structure of the Company as at the date of this announcement and immediately subsequent to completion of the Proposed Acquisition and the Issuance (assuming that there is no other change in the shareholding structure of the Company before the issuance of the Consideration Shares):

Shareholder	As at the date of this announcement		Immediately subsequent to completion of the Proposed Acquisition and the Issuance	
	<i>Percentage in the total issued share</i>		<i>Percentage in the total issued share</i>	
	<i>Number of shares (million shares)</i>	<i>capital of the Company</i>	<i>Number of shares (million shares)</i>	<i>capital of the Company</i>
Chinalco and its associates	5,135.3821	34.46%	5,135.3821	30.17%
Huarong Ruitong	0	0.00%	841.6003	4.94%
China Life <sup>Note</sup>	41.4781	0.28%	713.3607	4.19%
Zhaoping Investment	0	0.00%	252.3929	1.48%
China Cinda <sup>Note</sup>	133.6853	0.90%	217.8892	1.28%
CPIC Life <sup>Note</sup>	16.6689	0.11%	100.6529	0.59%
BOC Financial	0	0.00%	84.0280	0.49%
ICBC Financial	0	0.00%	67.1874	0.39%
ABC Financial	0	0.00%	33.5956	0.20%
Public shareholders of A Shares	5,632.6179	37.79%	5,632.6179	33.10%
<b>Subtotal – A Shares</b>	<b>10,959.8323</b>	<b>73.54%</b>	<b>13,078.7070</b>	<b>76.83%</b>
Chinalco and its associates	47.0000	0.31%	47.0000	0.28%
Transferors	0	0.00%	0	0.00%
Public shareholders of H Shares	3,896.9660	26.15%	3,896.9660	22.89%
<b>Subtotal – H Shares</b>	<b>3,943.9660</b>	<b>26.46%</b>	<b>3,943.9660</b>	<b>23.17%</b>
<b>Total issued shares</b>	<b>14,903.7982</b>	<b>100%</b>	<b>17,022.6730</b>	<b>100%</b>

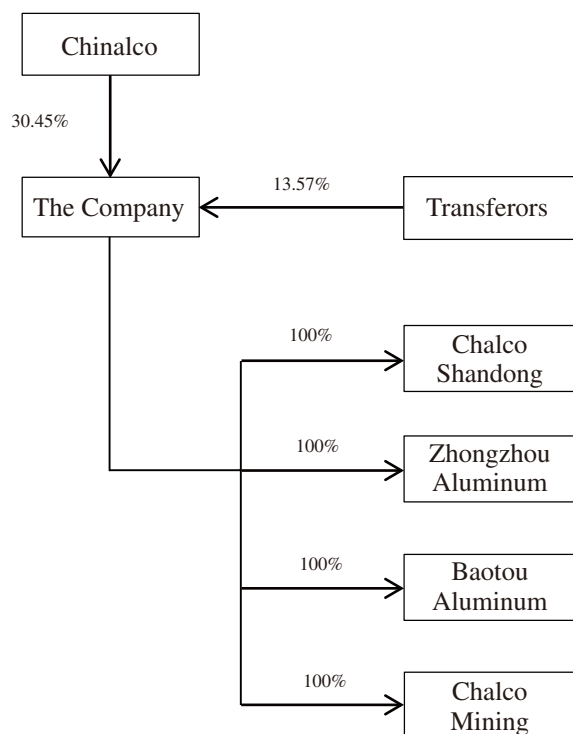
*Note:* Pursuant to the Announcement, China Cinda and its associates, CPIC Life, China Life and its associates hold 133,685,331 A Shares, 16,668,900 A Shares and 41,478,108 A Shares of the Company, respectively, representing approximately 0.90%, 0.11% and 0.28% of the total issued share capital of the Company, respectively. The Company will update the information on the latest shareholding of China Cinda, CPIC Life, and China Life (and/or its associates) in the Company in the supplemental circular.

The table below sets out the simplified shareholding structure of relevant companies as at the date of this announcement and immediately subsequent to completion of the Proposed Acquisition and the Issuance:

As at the date of this announcement:



Immediately subsequent to completion of the Proposed Acquisition:





## 5. IMPLICATIONS UNDER THE HONG KONG LISTING RULES

The Directors (including the independent non-executive Directors) are of the view that the transactions contemplated under the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) are on normal commercial terms, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole, but are not in the ordinary or usual course of business of the Group due to the nature of such transactions.

Mr. Wang Jun, a Director of the Company, serving as the business director in China Cinda, had abstained from voting on the relevant Board resolution(s) in relation to the transactions contemplated under the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) and, to the extent applicable, will voluntarily abstain from voting at the Extraordinary General Meeting and the Class Meetings on relevant resolution(s). As at the date of this announcement, Mr. Wang Jun neither held nor owned any interest in the Shares of the Company. Save as the aforementioned, none of the Directors has any material interests in the transactions contemplated under the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements), and thus none of them is required to abstain from voting on the relevant Board resolution(s).

As the highest applicable percentage ratio (as defined under the Hong Kong Listing Rules) of the transactions contemplated under the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) is higher than 5% but less than 25%, the Company's acquisition of the equity interests in the Target Companies held by the Transferors by issuance of Consideration Shares to the Transferors pursuant to the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) constitutes a discloseable transaction of the Company and shall be subject to reporting and announcement requirements, but exempt from shareholders' approval requirement under Chapter 14 of the Hong Kong Listing Rules.

As at the date of this announcement, Huarong Ruitong and Zhaoping Investment are substantial shareholders of Chalco Mining, a subsidiary of the Company. Pursuant to Rule 14A.09 of the Hong Kong Listing Rules, however, Chalco Mining is an insignificant subsidiary of the Company. Therefore, Huarong Ruitong and Zhaoping Investment are not connected persons of the Company under Chapter 14A of the Hong Kong Listing Rules. China Life is a substantial shareholder of Chalco Shandong and Baotou Aluminum, both being subsidiaries of the Company, and is therefore a connected person of the Company under Chapter 14A of the Hong Kong Listing Rules. Therefore, the Company's acquisition of the equity interests in the Target Companies held by China Life by the issuance of Consideration Shares to China Life 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) of the transaction is higher than 5%, the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) and the transactions contemplated thereunder shall be subject to reporting, announcement and independent shareholders' approval requirements.

In addition, as the Proposed Acquisition involves the issuance of A Shares by the Company pursuant to the Specific Mandate, the proposed issuance of Consideration Shares is subject to approval by the Independent Shareholders at the Extraordinary General Meeting and the Class Meetings by way of a special resolution in accordance with Rule 19A.38 of the Hong Kong Listing Rules.

## **6. INDEPENDENT FINANCIAL ADVISER AND INDEPENDENT BOARD COMMITTEE**

VBG Capital has been appointed by the Company as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders as to, among other things, whether the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) and the transactions contemplated thereunder as well as the Specific Mandate are fair and reasonable and are in the interests of the Company and the Shareholders as a whole, and give recommendations on voting. The Independent Board Committee of the Company will be established to advise the Independent Shareholders in respect of, among other things, the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) and the transactions contemplated thereunder as well as the Specific Mandate.

## **7. GENERAL INFORMATION**

The Company will convene the Extraordinary General Meeting, the A Shareholders Class Meeting and the H Shareholders Class Meeting to consider and, if thought fit, to approve, among other things and if applicable, (i) the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) and the transactions contemplated thereunder; and (ii) the Specific Mandate and other resolutions. The voting in relation to above-mentioned resolutions will be conducted by way of poll. Pursuant to the Announcement, China Cinda and its associates, CPIC Life, China Life and its associates hold 133,685,331 A Shares, 16,668,900 A Shares and 41,478,108 A Shares of the Company, respectively, representing approximately 0.90%, 0.11% and 0.28% of the total issued share capital of the Company, respectively. The Company will update the information on the latest shareholding of China Cinda, CPIC Life, and China Life (and/or its associates) in the Company in the supplemental circular. China Life is a connected person of the Company under the Hong Kong Listing Rules, and China Life, Huarong Ruitong and Zhaoping Investment are related parties of the Company under the listing rules of the SSE. The abovementioned persons and all other Shareholders who are interested or involved in the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) and the transactions contemplated thereunder as well as the Specific Mandate will abstain from voting at the Extraordinary General Meeting and the Class Meetings (if applicable) on the relevant resolutions in relation to the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) and the transactions contemplated thereunder as well as the Specific Mandate.

A circular in relation to, among other things, the Proposed Acquisition and the Issuance, and containing notices of the Extraordinary General Meeting and the Class Meetings will be despatched to the Shareholders on 31 July 2018. Given that additional time is required to prepare certain information for inclusion in the circular, a supplemental circular containing, among other things, (i) further details of the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) and the transactions contemplated thereunder as well as the Specific Mandate; (ii) a letter of recommendation from the Independent Board Committee containing its advice to the Independent Shareholders in relation to the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) and the transactions contemplated thereunder as well as the Specific Mandate; and (iii) a letter of advice from VBG Capital, the independent financial adviser, to the Independent Board Committee and the Independent Shareholders in relation to the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) and the transactions contemplated thereunder as well as the Specific Mandate will be despatched to the Shareholders by the Company on or before 31 August 2018.

**As the completion of the Proposed Acquisition and the issuance of Consideration Shares is subject to the fulfillment of conditions precedent of the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements), and may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares of the Company.**

## 8. 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 SSE;
“A Shareholder(s)”	holder(s) of A Shares;
“A Shareholders Class Meeting”	the forthcoming A shareholders class meeting convened to consider and, if thought fit, to approve, among other things, the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreement) and the transactions contemplated thereunder as well as the Specific Mandate;

“ABC Financial”	ABC Financial Asset Investment Company Limited* (農銀金融資產投資有限公司), a limited liability company incorporated in the PRC;
“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;
“Announcement”	the announcement of the Company dated 31 January 2018 in relation to the Equity Acquisition Agreements entered into between the Company and the Transferors;
“associate(s)”	has the same meaning ascribed thereto under the Hong Kong Listing Rules;
“Baotou Aluminum”	Baotou Aluminum Co., Ltd.* (包頭鋁業有限公司), a limited liability company incorporated in the PRC and a subsidiary of the Company as at the date of this announcement;
“Baotou Aluminum Equity Acquisition Agreement”	the Equity Acquisition Agreement in Respect of Baotou Aluminum Co., Ltd.* (《包頭鋁業有限公司股權收購協議》) dated 31 January 2018 entered into between the Company and the Transferors with regard to the proposed issuance of the Consideration Shares by the Company to the Transferors for acquisition of their aggregate equity interests of approximately 25.6748% in Baotou Aluminum;
“Baotou Aluminum Equity Acquisition Supplemental Agreement”	the Supplemental Agreement to the Equity Acquisition Agreement in Respect of Baotou Aluminum Co., Ltd.* (《包頭鋁業有限公司股權收購協議之補充協議》) dated 30 July 2018 entered into between the Company and the Transferors with regard to, among other things, the revised consideration and revised Consideration Shares under the proposed issuance of the Consideration Shares by the Company to the Transferors for acquisition of their aggregate equity interests of approximately 25.6748% in Baotou Aluminum;

“Board”	the board of Directors of the Company;
“BOC Financial”	BOC Financial Asset Investment Co., Ltd.* (中銀金融資產投資有限公司), a limited liability company incorporated in the PRC;
“Chalco Mining”	Chalco Mining Co., Ltd.* (中鋁礦業有限公司), a limited liability company incorporated in the PRC and a subsidiary of the Company as at the date of this announcement;
“Chalco Mining Equity Acquisition Agreement”	the Equity Acquisition Agreement in Respect of Chalco Mining Co., Ltd.* (《中鋁礦業有限公司股權收購協議》) dated 31 January 2018 entered into between the Company and the Transferors with regard to the proposed issuance of Consideration Shares by the Company to the Transferors for acquisition of their aggregate equity interests of approximately 81.1361% in Chalco Mining;
“Chalco Mining Equity Acquisition Supplemental Agreement”	the Supplemental Agreement to the Equity Acquisition Agreement in Respect of Chalco Mining Co., Ltd.* (《中鋁礦業有限公司股權收購協議之補充協議》) dated 30 July 2018 entered into between the Company and the Transferors with regard to, among other things, the revised consideration and revised Consideration Shares under the proposed issuance of Consideration Shares by the Company to the Transferors for acquisition of their aggregate equity interests of approximately 81.1361% in Chalco Mining;
“Chalco Shandong”	Chalco Shandong Co., Ltd.* (中鋁山東有限公司), a limited liability company incorporated in the PRC and a subsidiary of the Company as at the date of this announcement;

<p>“Chalco Shandong Equity Acquisition Agreement”</p>	<p>the Equity Acquisition Agreement in Respect of Chalco Shandong Co., Ltd.* (《中鋁山東有限公司股權收購協議》) dated 31 January 2018 entered into between the Company and the Transferors with regard to the proposed issuance of Consideration Shares by the Company to the Transferors for acquisition of their aggregate equity interests of approximately 30.7954% in Chalco Shandong;</p>
<p>“Chalco Shandong Equity Acquisition Supplemental Agreement”</p>	<p>the Supplemental Agreement to the Equity Acquisition Agreement in Respect of Chalco Shandong Co., Ltd.* (《中鋁山東有限公司股權收購協議之補充協議》) dated 30 July 2018 entered into between the Company and the Transferors with regard to, among other things, the revised consideration and revised Consideration Shares under the proposed issuance of Consideration Shares by the Company to the Transferors for acquisition of their aggregate equity interests of approximately 30.7954% in Chalco Shandong;</p>
<p>“China Cinda”</p>	<p>China Cinda Asset Management Co., Ltd.* (中國信達資產管理股份有限公司), a joint stock company incorporated in the PRC with limited liability;</p>
<p>“China Life”</p>	<p>China Life Insurance Company Limited* (中國人壽保險股份有限公司), a joint stock company incorporated in the PRC with limited liability;</p>
<p>“China United Assets Appraisal”</p>	<p>China United Assets Appraisal Group Co., Ltd.* (中聯資產評估集團有限公司), a PRC qualified valuer which was engaged by the Company to evaluate the value of equity interests of the Target Companies;</p>

“Chinalco”	Aluminum Corporation of China* (中國鋁業集團有限公司), a wholly state-owned enterprise with limited liability 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;
“Class Meetings”	the A Shareholders Class Meeting and the H Shareholders Class Meeting;
“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 SSE, 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;
“Consideration Shares”	the new A Shares to be issued by the Company to the Transferors pursuant to the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) for payment of the consideration for the Target Equity;
“CPIC Life”	China Pacific Life Insurance Co., Ltd.* (中國太平洋人壽保險股份有限公司), a joint stock company incorporated in the PRC with limited liability;
“CSRC”	China Securities Regulatory Commission;
“Director(s)”	the director(s) of the Company;
“Equity Acquisition Agreements”	collectively, the Chalco Shandong Equity Acquisition Agreement, the Zhongzhou Aluminum Equity Acquisition Agreement, the Baotou Aluminum Equity Acquisition Agreement and the Chalco Mining Equity Acquisition Agreement;

“Equity Acquisition Supplemental Agreements”	collectively, the Chalco Shandong Equity Acquisition Supplemental Agreement, the Zhongzhou Aluminum Equity Acquisition Supplemental Agreement, the Baotou Aluminum Equity Acquisition Supplemental Agreement and the Chalco Mining Equity Acquisition Supplemental Agreement;
“Extraordinary General Meeting”	the forthcoming extraordinary general meeting of the Company convened to consider and, if thought fit, to approve, among other things, the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) and the transactions contemplated thereunder as well as the Specific Mandate;
“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;
“H Shareholder(s)”	holder(s) of H Shares;
“H Shareholders Class Meeting”	the forthcoming H shareholders class meeting convened to consider and, if thought fit, to approve, among other things, the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) and the transactions contemplated thereunder as well as the Specific Mandate;
“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;
“Huarong Ruitong”	Huarong Ruitong Equity Investment Management Co., Ltd.* (華融瑞通股權投資管理有限公司), a limited liability company incorporated in the PRC;



“ICBC Financial”	ICBC Financial Asset Investment Co., Ltd.* (工銀金融資產投資有限公司), a limited liability company incorporated in the PRC;
“Independent Board Committee”	the independent board committee to be formed by the Company to advise the Independent Shareholders in respect of, among other things, the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) and the transactions contemplated thereunder as well as the Specific Mandate;
“Independent Shareholder(s)”	Shareholders other than China Cinda, CPIC Life, China Life and their respective associates as well as all other shareholders who are interested or involved in the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) and the transactions contemplated thereunder as well as the Specific Mandate, to the extent applicable including but not limited to the connected persons under the Hong Kong Listing Rules and the related parties under the listing rules of the SSE in respect of the Proposed Acquisition and the Issuance;
“Issuance”	Issuance of new A Shares by the Company to the Transferors in accordance with the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements);
“PRC”	the People’s Republic of China which, for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan;
“Proposed Acquisition”	the acquisition of equity interests in the Target Companies by the Company from the Transferors in accordance with the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements);
“Restructuring”	the Company’s acquisition of equity interests held by the Transferors in the Target Companies through issuance of shares;
“RMB”	Renminbi, the lawful currency of the PRC;

“Share(s)”	A Shares and H Shares;
“Shareholder(s)”	A Shareholders and H Shareholders;
“Specific Mandate”	the specific mandate to be sought from the Independent Shareholders for the allotment and issuance of Consideration Shares;
“SSE”	the Shanghai Stock Exchange;
“subsidiary(ies)”	has the same meaning ascribed thereto under the Hong Kong Listing Rules;
“Target Companies”	Chalco Shandong, Baotou Aluminum, Chalco Mining and Zhongzhou Aluminum;
“Target Equity”	the equity interests held by each of the Transferors in the Target Companies before the completion of the Proposed Acquisition;
“Transferors”	Huarong Ruitong, China Life, Zhaoping Investment, CPIC Life, China Cinda, BOC Financial, ICBC Financial and ABC Financial, or some of them, depending on specific Equity Acquisition Agreement(s) (as amended by the Equity Acquisition Supplemental Agreement(s));
“Valuation Benchmark Date”	31 December 2017;
“VBG Capital”	VBG Capital Limited, the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the Equity Acquisition Agreements (as amended by the Equity Acquisition Supplemental Agreements) and the transactions contemplated thereunder as well as the Specific Mandate;
“Zhaoping Investment”	Shenzhen Zhaoping Chalco Investment Center LLP* (深圳市招平中鋁投資中心(有限合夥)), a limited liability partnership incorporated in the PRC;

“Zhongzhou Aluminum”	Chalco Zhongzhou Aluminum Co., Ltd.* (中鋁中州鋁業有限公司), a limited liability company incorporated in the PRC and a subsidiary of the Company as at the date of this announcement;
“Zhongzhou Aluminum Equity Acquisition Agreement”	the Equity Acquisition Agreement in Respect of Chalco Zhongzhou Aluminum Co., Ltd.* (《中鋁中州鋁業有限公司股權收購協議》) dated 31 January 2018 entered into between the Company and the Transferors with regard to the proposed issuance of Consideration Shares by the Company to the Transferors for acquisition of their aggregate equity interests of approximately 36.8990% in Zhongzhou Aluminum;
“Zhongzhou Aluminum Equity Acquisition Supplemental Agreement”	the Supplemental Agreement to the Equity Acquisition Agreement in Respect of Chalco Zhongzhou Aluminum Co., Ltd.* (《中鋁中州鋁業有限公司股權收購協議之補充協議》) dated 30 July 2018 entered into between the Company and the Transferors with regard to, among other things, the revised consideration and revised Consideration Shares under the proposed issuance of Consideration Shares by the Company to the Transferors for acquisition of their aggregate equity interests of approximately 36.8990% in Zhongzhou Aluminum;
“%”	per cent.

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

Beijing, the PRC  
30 July 2018

*As at the date of this announcement, the members of the Board comprise Mr. Yu Dehui, Mr. Lu Dongliang and Mr. Jiang Yinggang (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

## ***APPENDIX I: LETTER FROM ERNST & YOUNG***

The following is the text of a letter dated 30 July 2018 prepared by Ernst & Young for the purpose of inclusion in this announcement.

**30 July 2018**

**The Directors**

**Aluminum Corporation of China Limited**

No. 62 North Xizhimen Street, Haidian District, Beijing

The People's Republic of China

### **REPORT FROM REPORTING ACCOUNTANTS ON THE DISCOUNTED CASH FLOW FORECAST IN CONNECTION WITH THE VALUATION OF EQUITY INTEREST IN BAOTOU ALUMINUM CO., LTD.**

Dear Sirs,

We have been engaged to report on the arithmetical accuracy of the calculations of the discounted cash flow forecast (the “**Forecast**”) on which the valuation dated 10 April 2018 prepared by China United Assets Appraisal Group Co., Ltd. in respect of Baotou Aluminum Co., Ltd. (“**Baotou Aluminum**”) as at 31 December 2017 is based. The valuation is set out in the announcement of Aluminum Corporation of China Limited (the “**Company**”) dated 30 July 2018 (the “**Announcement**”) in connection with the proposed acquisition of minority interest in Baotou Aluminum. The valuation based on the Forecast is regarded by The Stock Exchange of Hong Kong Limited as a profit forecast under paragraph 14.61 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

#### **Directors' responsibilities**

The directors of the Company (the “**Directors**”) are solely responsible for the Forecast. The Forecast has been prepared using a set of bases and assumptions (the “**Assumptions**”), the completeness, reasonableness and validity of which are the sole responsibility of the Directors. The Assumptions are set out in the section headed “Information on the Valuation Reports” of the Announcement.

#### **Our Independence and Quality Control**

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Control 1 Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Reporting Accountants' responsibilities**

Our responsibility is to express an opinion on the arithmetical accuracy of the calculations of the Forecast based on our work. The Forecast does not involve the adoption of accounting policies.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the HKICPA. This standard requires that we plan and perform our work to obtain reasonable assurance as to whether, so far as the arithmetical accuracy of the calculations are concerned, the Directors have properly compiled the Forecast in accordance with the Assumptions adopted by the Directors. Our work consisted primarily of checking the arithmetical accuracy of the calculations of the Forecast prepared based on the Assumptions made by the Directors. Our work is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Accordingly, we do not express an audit opinion.

We are not reporting on the appropriateness and validity of the Assumptions on which the Forecast are based and thus express no opinion whatsoever thereon. Our work does not constitute any valuation of Baotou Aluminum. The Assumptions used in the preparation of the Forecast include hypothetical assumptions about future events and management actions that may or may not occur. Even if the events and actions anticipated do occur, actual results are still likely to be different from the Forecast and the variation may be material. Our work has been undertaken for the purpose of reporting solely to you under paragraph 14.62(2) of the Listing Rules and for no other purpose. We accept no responsibility to any other person in respect of our work, or arising out of or in connection with our work.

### **Opinion**

Based on the foregoing, in our opinion, so far as the arithmetical accuracy of the calculations of the Forecast is concerned, the Forecast has been properly compiled in all material respects in accordance with the Assumptions adopted by the Directors.

*Ernst & Young*

*Certified Public Accountants*

EY22/F, CITIC Tower, 1 Tim Mei Avenue, Central  
Hong Kong

**APPENDIX II: LETTER FROM CITIC SECURITIES CO., LTD.**

The following is the text of a letter dated 30 July 2018 prepared by CITIC Securities Co., Ltd. for the purpose of inclusion in this announcement.

To the board of directors of Aluminum Corporation of China Limited:

Re: Profit Forecast – Letter of Confirmation under Rule14.62(3) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)

Dear Sir or Madam,

Reference is made to the announcement of Aluminum Corporation of China Limited (the “**Company**”) dated 30 July 2017 in relation to the valuation report of Baotou Aluminum Co., Ltd. (the “**Valuation Report**”) dated 10 April 2018 prepared by China United Assets Appraisal Group Co., Ltd. (the “**Valuer**”) using the income approach.

We, as the financial adviser, have reviewed the Valuation Report and discussed with the directors and the management of the Company and the Valuer regarding the Valuation Report, including, in particular the valuation approach, basis and assumptions. We have also considered the letter of confirmation dated 30 July 2018 issued by Ernst & Young in relation to the calculations of the profit forecast in the Valuation Report.

With regard to the qualifications and experience of the Valuer, based on the review work conducted by us, which includes reasonableness checks to assess the relevant experience and expertise of the Valuer, review and discussion with the Valuer of the qualifications, experience, expertise and relevant track records of the Valuer, we are satisfied that the Valuer has the qualifications and experience to compile the Valuation Report.

On the basis of the foregoing, in accordance with Rule14.62(3) of the Listing Rules, we are satisfied that the profit forecast used by the aforementioned Valuation Report has been made with due care and consideration and objectivity, and on a reasonable basis.

Yours faithfully,  
for and on behalf of  
**CITIC Securities Co., Ltd.**  
**Jin Jianhua**

30 July 2018