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中鋁國際工程股份有限公司

China Aluminum International Engineering Corporation Limited

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2068)

ANNOUNCEMENT

THE QUARTERLY REPORT OF THE COMPANY FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2020

This announcement is made pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The operating results attached hereto are the unaudited quarterly report of China Aluminum International Engineering Corporation Limited (the “**Company**”) as of 30 September 2020 prepared in accordance with the Accounting Standards for Business Enterprises of the PRC, as disclosed in Shanghai Clearing House (website: <http://english.shclearing.com/>) and Shanghai Stock Exchange (website: <http://english.sse.com.cn/>).

This announcement and the attached quarterly report were originally prepared in Chinese and published in both Chinese and English. In the case of any discrepancy, the Chinese text shall prevail over the English text.

1. IMPORTANT NOTE

- 1.1** The Board of Directors, Board of Supervisors, Directors, Supervisors and senior management of the Company guarantee that the contents of the quarterly report are truthful, accurate and complete, free from any false statement, misleading representation or major omission, and are legally liable therefor on a several and joint basis.
- 1.2** All Directors of the Company attended the Board meeting to review the quarterly report.
- 1.3** WU Jianqiang, the Company's principal, ZHANG Jian, the accounting principal, and ZHANG Xiuyin, the accounting function's principal (the person in charge of the accounting function) undertake that the financial report in this quarterly report is truthful, accurate and complete.
- 1.4** The Company's third quarterly report is unaudited.

2. BASIC INFORMATION OF THE COMPANY

2.1 Key Financial Data

Unit: Yuan Currency: RMB

	As at the end of the reporting period	As at the end of the previous year	Increase/decrease as at the end of the reporting period as compared with the end of the previous year (%)
Total assets	55,185,175,858.01	55,999,463,120.62	-1.45
Net assets attributable to shareholders of the listed company	10,384,364,384.07	11,322,059,940.65	-8.28
	From the beginning of the year to the end of the reporting period (From January to September)	From the beginning of the previous year to the end of the reporting period of the previous year (From January to September)	Increase/decrease as compared with the corresponding period of the previous year (%)
Net cash flow from operating activities	-1,303,058,120.69	-806,050,054.23	-61.66

2. BASIC INFORMATION OF THE COMPANY – CONTINUED

2.1 Key Financial Data – Continued

Unit: Yuan Currency: RMB

	From the beginning of the year to the end of the reporting period (From January to September)	From the beginning of previous year to the end of the reporting period in previous year (From January to September)	Increase/ decrease as compared with the corresponding period of previous year (%)
Operating revenue	16,375,848,864.71	20,970,677,719.67	-21.91
Net profit attributable to shareholders of the listed company	-179,038,206.51	22,050,225.58	N/A
Net profit attributable to shareholders of the listed company net of non-recurring gain or loss	-264,332,834.45	41,445,715.43	N/A
Weighted average return on net assets (%)			Decreased by 3.17 percentage points
	-3.26	-0.09	
Basic earnings per share (RMB/share)	-0.09	-0.003	-2,900.00
Diluted earnings per share (RMB/share)	N/A	N/A	

Items and amounts of non-recurring gain or loss

✓ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Amount for the period (From July to September)	Amount from the beginning of the year to the end of the reporting period (From January to September)	Description
Gain or loss on disposal of non-current assets	-3,249,198.07	6,873,635.56	
Tax return, reduction or exemption arising from ultra vires approval, without official approval document, or on an occasional basis	112,829.30	112,829.30	
Government subsidies recorded in current P&L (except government subsidies closely related to business operations granted continuously in a fixed amount or quota according to the unified national standards)	3,774,568.02	14,069,897.89	
Financing fee income from non-financial enterprises recorded in P&L	8,442,331.02	28,502,336.69	

2. BASIC INFORMATION OF THE COMPANY – CONTINUED

2.1 Key Financial Data – Continued

Unit: Yuan Currency: RMB

Item	Amount for the period (From July to September)	Amount from the beginning of the year to the end of the reporting period (From January to September)	Description
Gain arising from the acquisition of interests in a subsidiary, associate or joint venture at an investment cost below the share in the fair value of net identifiable assets of the investee at the time of acquisition			
Gain or loss on non-monetary asset exchange	-30,550.52	-30,550.52	
Gain or loss on assets under entrusted investment or management			
Asset impairment provisions arising from force majeure factors such as natural disasters			
Gains or losses on debt restructuring	3,408,214.85	3,566,835.78	
Restructuring costs, such as employee settlement cost and integration cost			
Gain or loss in excess of fair value arising from transactions at obviously unfair prices			
Net gain or loss of a subsidiary arising from business combination under common control for the period from the beginning of the period to the combination date			
Gain or loss on contingencies not related to usual operations of the Company			
Gain or loss on changes in fair value arising from holding held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities, and gain on investment from disposal of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and other debt investments, except for the effective portion of hedging related to usual operations of the Company			
Reversal of impairment provisions on receivables and contract assets tested for impairment individually	-1,593,031.16	1,634,284.93	

2. BASIC INFORMATION OF THE COMPANY – CONTINUED

2.1 Key Financial Data – Continued

Unit: Yuan Currency: RMB

Item	Amount for the period (From July to September)	Amount from the beginning of the year to the end of the reporting period (From January to September)	Description
Gain or loss on entrusted loans			
Gain or loss on changes in the fair value of investment property subsequently measured at fair value			
Impact of one-off adjustments to current P&L as required by taxation and accounting laws and regulations			
Trustee fees income from entrusted operations			
Other non-operating revenue and expenses other than the above items	10,205,775.82	47,555,998.42	
Other items falling within the definition of non- recurring gain or loss	1,510,750.57	1,510,750.57	
Impact of minority interests (after tax)	7,734,386.07	-32,798.85	
Impact of income tax	-2,434,610.29	-18,468,591.83	
Total	<u>27,881,465.61</u>	<u>85,294,627.94</u>	

2. BASIC INFORMATION OF THE COMPANY – CONTINUED

2.2 Table of total number of shareholders, shareholding by top 10 shareholders and top 10 holders of marketable shares (or unrestricted shareholders) as at the end of the reporting period

Unit: Share

Total number of shareholders 38,154

Shareholder name (full name)	Shareholding of top 10 shareholders		Number of shares held subject to selling restrictions	Pledged or locked up Status of shares	Number	Nature of shareholder
	Number of shares held at the end of the period	Ratio (%)				
Aluminum Corporation of China	2,176,758,534.00	73.56	2,176,758,534.00	Nil	0	State-owned legal person
Hong Kong Securities Clearing Company Nominees Limited	399,476,000.00	13.50	0	Unknown	–	Others
Luoyang Engineering & Research Institute for Nonferrous Metals Processing	86,925,466.00	2.94	86,925,466.00	Nil	0	State-owned legal person
Hong Kong Securities Clearing Company Limited	12,441,415.00	0.42	0	Nil	0	Others
RUAN Meixia (阮美霞)	8,550,000.00	0.29	0	Nil	0	Domestic natural person
GU Jing (顧璟)	2,563,300.00	0.09	0	Nil	0	Domestic natural person
LIAO Weijun (廖偉軍)	2,083,002.00	0.07	0	Nil	0	Domestic natural person
Bank of Communications Co., Ltd. – GF China Securities Infrastructure Project Index- based Securities Investment Fund	2,048,860.00	0.07	0	Nil	0	Others
Agricultural Bank of China Limited – CSI 500 Exchange-traded and Open-ended Index Securities Investment Fund	1,952,269.00	0.07	0	Nil	0	Others
HUANG Zhigang (黃志剛)	1,900,000.00	0.06	0	Nil	0	Domestic natural person

2. BASIC INFORMATION OF THE COMPANY – CONTINUED

2.2 Table of total number of shareholders, shareholding by top 10 shareholders and top 10 holders of marketable shares (or unrestricted shareholders) as at the end of the reporting period – Continued

Unit: Share

Total number of shareholders 38,154

Shareholding of top 10 shareholders not subject to selling restrictions			
Shareholder name	Number of shares held in circulation not subject to selling restrictions	Class and number of shares	
		Class	Number
Hong Kong Securities Clearing Company Nominees Limited	399,476,000.00	Overseas listed foreign shares	399,476,000.00
Hong Kong Securities Clearing Company Limited	12,441,415.00	Renminbi ordinary shares	12,441,415.00
RUAN Meixia (阮美霞)	8,550,000.00	Renminbi ordinary shares	8,550,000.00
GU Jing (顧璟)	2,563,300.00	Renminbi ordinary shares	2,563,300.00
LIAO Weijun (廖偉軍)	2,083,002.00	Renminbi ordinary shares	2,083,002.00
Bank of Communications Co., Ltd. – GF China Securities Infrastructure Project Index-based Securities Investment Fund	2,048,860.00	Renminbi ordinary shares	2,048,860.00
Agricultural Bank of China Limited – CSI 500 Exchange-traded and Open-ended Index Securities Investment Fund	1,952,269.00	Renminbi ordinary shares	1,952,269.00
HUANG Zhigang (黃志剛)	1,900,000.00	Renminbi ordinary shares	1,900,000.00
Vanguard Investment Australia Ltd. – Vanguard Emerging Markets Stock Index Fund (Exchange)	1,830,300.00	Renminbi ordinary shares	1,830,300.00
LIU Shao (劉紹)	1,779,000.00	Renminbi ordinary shares	1,779,000.00

2. BASIC INFORMATION OF THE COMPANY – CONTINUED

2.2 Table of total number of shareholders, shareholding by top 10 shareholders and top 10 holders of marketable shares (or unrestricted shareholders) as at the end of the reporting period – Continued

Explanation of related relationship or acting in concert in respect of the above shareholders

Note 1: The number of shares held by Chinalco did not include A shares of the Company indirectly held through its subsidiary Luoyang Institute and H shares of the Company indirectly held through its subsidiary Yunnan Aluminum International Company Limited (雲鋁國際有限公司). Chinalco and its subsidiaries held a total of 2,283,179,000 shares of the Company, including 2,263,684,000 A shares and 19,495,000 H shares, accounting for 77.16% of the total share capital of the Company.

Note 2: The 19,495,000 H shares of the Company held by Chinalco's subsidiary Yunnan Aluminum International Company Limited (雲鋁國際有限公司) were held by Hong Kong Securities Clearing Company Nominees Limited on its behalf.

Note 3: The 399,476,000 H shares of the Company held by Hong Kong Securities Clearing Company Nominees Limited included the 19,495,000 H shares held by Chinalco's subsidiary Yunnan Aluminum International Company Limited (雲鋁國際有限公司).

Note 4: Except for the above, the Company is not aware that the above shareholders have any related relationship or are acting in concert among each other.

Explanation of shareholders of preferred shares with reinstated voting rights and the number of shares held

Not applicable.

2.3 Table of total number of shareholders of preferred shares, shareholding of top 10 shareholders of preferred shares and top 10 unrestricted shareholders of preferred shares as at the end of the reporting period

☐ Applicable ☒ Not applicable

3. MAJOR EVENTS

3.1 Details of and reasons for significant changes of key accounting statement items and financial indicators of the Company

✓ Applicable ☐ Not applicable

(1) Details of changes in key items of balance sheet

Unit: Yuan Currency: RMB

Item	30 September 2020	31 December 2019	Percentage of change
Monetary fund	5,329,530,425.20	10,025,925,365.07	-46.84%
Notes receivable	358,952,572.33	569,959,008.85	-37.02%
Dividends receivable	3,431,957.85	1,815,949.86	88.99%
Non-current assets due within one year	615,571,061.86	405,403,386.22	51.84%
Other non-current assets	6,658,467,272.76	3,445,379,547.40	93.26%
Employee compensation payable	138,448,603.80	200,663,502.30	-31.00%
Taxes payable	160,427,205.69	267,058,741.21	-39.93%
Other payables	2,462,978,097.80	4,979,140,933.59	-50.53%
Dividends payable	94,184,922.00	30,000,000.00	213.95%
Long-term borrowings	6,334,811,011.12	4,666,498,225.22	35.75%
Deferred income	94,164,011.00	53,036,425.27	77.55%

During the reporting period, the significant changes of the balance sheet are explained as follows:

- 1) Monetary fund decreased by 46.84% as compared to that of the beginning of the period, mainly due to the redemption of the USD350 million USD senior perpetual bonds by the Company during the reporting period and the payment for project progress and equipment procurement.
- 2) Notes receivable decreased by 37.02% as compared to that of the beginning of the period, mainly due to the transfer of endorsed notes receivable for the project payment.
- 3) Dividends receivable increased by 88.99% as compared to that of the beginning of the period, mainly due to the recognition of dividends declared by Zhuzhou Tianqiao Crane Co., Ltd.
- 4) Non-current assets due within one year increased by 51.84% as compared to that of the beginning of the period, mainly due to the reclassification of some of the long-term receivables due within one year.

3. MAJOR EVENTS – CONTINUED

3.1 Details of and reasons for significant changes of key accounting statement items and financial indicators of the Company – Continued

(1) Details of changes in key items of balance sheet – Continued

- 5) Other non-current assets increased by 93.26% as compared to that of the beginning of the period, mainly due to the increase in construction investment of the Yunnan Miyu Highway PPP project during the reporting period.
- 6) Employee compensation payable decreased by 31.00% as compared to that of the beginning of the period, mainly due to the fact that part of the employee compensation accrued on an accrual basis for 2019 was paid during the reporting period.
- 7) Taxes payable decreased by 39.93% as compared to that of the beginning of the period, mainly due to the fact that the income tax expenses recognized for settlement were paid during the period.
- 8) Other payables decreased by 50.53% as compared to that of the beginning of the period, mainly due to the redemption of the USD350 million USD senior perpetual bonds issued at the end of 2016.
- 9) Dividends payable increased by 213.95% as compared to that of the beginning of the period, mainly due to the recognition of dividends of the issued equity instruments.
- 10) Long-term borrowings increased by 35.75% as compared to that of the beginning of the period, mainly due to the fact that the Company adopted relatively loose financial policies to adjust the long – and short-term financing structure, and increase long-term borrowings with relatively low interest rates during the reporting period.
- 11) Deferred income increased by 77.55% as compared to that of the beginning of the period, mainly due to the construction subsidies received by the engineering project that had yet to reach the beneficial period.

3. MAJOR EVENTS – CONTINUED

3.1 Details of and reasons for significant changes of key accounting statement items and financial indicators of the Company – Continued

(2) Details of major changes in income statement

Unit: Yuan Currency: RMB

Item	Amount for the period	Amount for the corresponding period	Percentage of change
Operating revenue	16,375,848,864.71	20,970,677,719.67	-21.91%
Operating cost	14,925,915,221.99	19,079,057,805.17	-21.77%
Financial expense	329,085,856.16	428,337,019.85	-23.17%
Other gains	44,399,212.71	16,937,397.02	162.14%
Gain on investment	-14,844,709.19	10,274,597.36	N/A
Credit impairment loss	4,399,765.84	-38,517,998.10	N/A
Gain on disposal of assets	10,385,524.85	3,691,442.91	181.34%
Non-operating income	53,767,313.98	27,161,363.28	97.96%
Non-operating expense	3,513,625.73	45,664,131.59	-92.31%
Net profit attributable to shareholders of the parent	-179,038,206.51	22,050,225.58	N/A

During the reporting period, the significant changes of the income statement are explained as follows:

- 1) Operating revenue decreased by 21.91% year-on-year, mainly due to the impact of the COVID-19 epidemic at the beginning of the year, and the suspension of engineering projects resulting in a significant decline in operating revenue on one hand; and the Company's trading business has shifted to the centralized procurement of internal engineering equipment and materials, and the original business scale dropped significantly year-on-year on the other hand.
- 2) Operating cost decreased by 21.77% year-on-year mainly due to the decrease in income and the decrease in cost.
- 3) Financial expense decreased by 23.17% year-on-year, mainly due to the fact that the Company made full use of the relatively loose financial policies to adjust its financing structure, lowered loan interest rates, and controlled the scale of financing during the reporting period, resulting in the decrease in financing costs.
- 4) Other gains increased by 162.14% year-on-year mainly due to the recognition of the government's land subsidy and employment stabilization subsidy for current benefited period.

3. MAJOR EVENTS – CONTINUED

3.1 Details of and reasons for significant changes of key accounting statement items and financial indicators of the Company – Continued

(2) Details of major changes in income statement – Continued

- 5) Gain on investment for the reporting period was RMB-14.8447 million mainly due to the recognition of loss from discounted price of ABS accounts receivable in cyclical purchase during this period.
- 6) Credit impairment loss for the reporting period was RMB4.3998 million, mainly due to the impact of the shortage of funds of property owners and the increase in long-aged receivables. The credit impairment loss accrued for the period increased significantly year-on-year.
- 7) Gain on disposal of assets increased by 181.34% year-on-year, mainly due to the recognition of income from the disposal of land use rights.
- 8) Non-operating income increased by 97.96% year-on-year, mainly due to the non-operating income transferred from certain payables that cannot be paid.
- 9) Non-operating expense decreased by 92.31% year-on-year, mainly due to the recognition of modification expense of “Three Supplies and One Property” in the corresponding period of last year. No such expense incurred during this period.
- 10) Net profit attributable to shareholders of the parent company amounted to RMB-179.0382 million as compared with RMB22.0502 million for the corresponding period of last year, which was due to the fierce competition in the construction industry, resulting in the decrease in the total number of contracts undertaken by the Company and the gross profit margin during the reporting period on one hand; and due to the impact of the COVID-19 epidemic at the beginning of the year, and the suspension of engineering projects resulting in a significant decline in the scale of revenue year-on-year on the other hand; in addition, the credit impairment loss recognized by the Company for the period increased year-on-year. In view of the above, the Company’s operating results for the reporting period was a loss.

(3) Details of major changes of cash flow statement

Unit: Yuan Currency: RMB

Item	Amount for the period	Amount for the corresponding period	Amount of change	Percentage of change
Net cash flow from operating activities	-1,303,058,120.69	-806,050,054.23	-497,008,066.46	-61.66%
Net cash flow from investing activities	-2,969,235,092.60	-1,884,555,814.92	-1,084,679,277.68	-57.56%
Net cash flow from financing activities	95,521,737.14	1,275,774,323.89	-1,180,252,586.75	-92.51%

3. MAJOR EVENTS – CONTINUED

3.1 Details of and reasons for significant changes of key accounting statement items and financial indicators of the Company – Continued

(3) Details of major changes of cash flow statement – Continued

- 1) Net cash flow from operating activities decreased by 61.66% as compared to that of the corresponding period of last year, mainly due to the shortage of funds of property owners under the adverse situation of the epidemic and the delay of the original collection plan; meanwhile, the state required to speed up the payment for construction of private enterprises, etc. During the reporting period, the net cash outflow from operating activities increased year-on-year, whereas the Company's net cash flow from operating activities in the third quarter was positive with promising momentum.
- 2) Net cash flow from investing activities decreased by 57.56% as compared to that of the corresponding period of last year, mainly due to the fact that all funds during the project construction period were included in the cash outflow from investing activities attributable to the commencement of construction of the Company's Yunnan Miyu Highway PPP project, resulting in bigger year-on-year changes in cash flow from investing activities.
- 3) Net cash flow from financing activities decreased by 92.51% as compared to that of the corresponding period of last year, mainly due to the receipt of principal in relation to Yunnan Miyu Highway PPP project in the amount of RMB2.6 billion but, at the same time, the redemption of the USD350 million senior USD perpetual bonds issued at the end of 2016 during the reporting period.

3.2 Analysis on the progress of major events and their related effects and solutions

☐ Applicable ☒ Not applicable

3.3 Undertakings due but not completely performed during the reporting period

☐ Applicable ☒ Not applicable

3.4 Warning of turning accumulated net profit into loss from the beginning of the year to the end of the next reporting period or incurring material changes as compared to the corresponding period of last year and its reasons

☐ Applicable ☒ Not applicable

Company name	China Aluminum International Engineering Corporation Limited
Legal representative	WU Jianqiang
Date	27 October 2020

4. APPENDIX

4.1 Financial Statement

CONSOLIDATED BALANCE SHEET

30 September 2020

Prepared by: China Aluminum International Engineering Corporation Limited

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	30 September 2020	31 December 2019
Current assets:		
Monetary fund	5,329,530,425.20	10,025,925,365.07
Provision of settlement fund		
Funds lent		
Held-for-trading financial assets		
Derivative financial assets		
Notes receivable	358,952,572.33	569,959,008.85
Accounts receivable	15,387,713,779.28	14,284,215,819.57
Financing of receivables		
Prepayments	475,558,361.38	376,065,504.37
Insurance premium receivables		
Cession premium receivables		
Provision of cession receivables		
Other receivables	2,787,512,787.69	2,353,289,986.09
Including: Interest receivable		
Dividends receivable	3,431,957.85	1,815,949.86
Financial assets held under resale agreements		
Inventories	3,469,352,097.33	3,110,392,382.89
Contract assets	11,514,999,935.07	13,008,312,180.99
Held-for-sale assets		
Non-current assets due within one year	615,571,061.86	405,403,386.22
Other current assets	1,064,416,046.69	656,337,615.69
Total current assets	41,003,607,066.83	44,789,901,249.74

4. APPENDIX – CONTINUED

4.1 Financial Statement – Continued

CONSOLIDATED BALANCE SHEET – CONTINUED

30 September 2020

Prepared by: China Aluminum International Engineering Corporation Limited

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	30 September 2020	31 December 2019
Non-current assets:		
Loans and advances		
Debt investments		
Other debt investments		
Long-term receivables	1,685,452,409.95	1,910,972,285.42
Long-term equity investments	764,896,211.67	770,306,732.72
Other equity instrument investments	40,705,240.25	45,422,963.86
Other non-current financial assets	18,900,000.00	18,900,000.00
Investment properties	545,714,240.70	478,102,673.52
Fixed assets	2,192,705,121.76	2,313,832,928.14
Construction in progress	351,941,876.25	300,722,025.12
Bearer biological assets		
Oil & gas assets		
Rights-of-use assets	24,677,987.12	26,986,403.95
Intangible assets	1,104,237,065.92	1,086,857,150.91
Development costs	2,316,576.02	2,297,253.07
Goodwill		
Long-term prepaid expenses	33,996,238.81	27,138,251.28
Deferred income tax assets	757,558,549.97	782,643,655.49
Other non-current assets	6,658,467,272.76	3,445,379,547.40
Total non-current assets	14,181,568,791.18	11,209,561,870.88
Total assets	55,185,175,858.01	55,999,463,120.62

4. APPENDIX – CONTINUED

4.1 Financial Statement – Continued

CONSOLIDATED BALANCE SHEET – CONTINUED

30 September 2020

Prepared by: China Aluminum International Engineering Corporation Limited

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	30 September 2020	31 December 2019
Current liabilities:		
Short-term borrowings	7,031,974,983.25	7,198,295,269.03
Borrowings from central banks		
Unloading funds		
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable	1,023,473,441.17	957,266,218.53
Accounts payable	14,301,557,633.72	15,737,937,151.26
Advance receipts		
Contract liabilities	2,630,070,940.57	2,381,391,809.44
Financial assets sold for repurchase		
Absorption of deposits and interbank deposit		
Proceeds from trading securities by agent		
Proceeds from underwriting securities by agent		
Employee compensation payable	138,448,603.80	200,663,502.30
Taxes payable	160,427,205.69	267,058,741.21
Other payables	2,462,978,097.80	4,979,140,933.59
Including: Interest payable		
Dividends payable	94,184,922.00	30,000,000.00
Handling fees and commissions payable		
Cession premium payable		
Held-for-sale liabilities		
Non-current liabilities due within one year	661,702,562.81	872,946,075.66
Other current liabilities	2,490,197,382.64	2,596,562,617.52
Total current liabilities	30,900,830,851.45	35,191,262,318.54

4. APPENDIX – CONTINUED

4.1 Financial Statement – Continued

CONSOLIDATED BALANCE SHEET – CONTINUED

30 September 2020

Prepared by: China Aluminum International Engineering Corporation Limited

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	30 September 2020	31 December 2019
Non-current liabilities:		
Reserve fund for insurance contracts		
Long-term borrowings	6,334,811,011.12	4,666,498,225.22
Debt securities payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	11,235,572.45	13,909,401.66
Long-term payables	4,786,772.47	4,598,530.23
Long-term employee compensation payable	612,629,833.99	599,488,000.00
Estimated liabilities		
Deferred income	94,164,011.00	53,036,425.27
Deferred income tax liabilities	76,297,390.44	75,290,268.87
Other non-current liabilities		
Total non-current liabilities	<u>7,133,924,591.47</u>	<u>5,412,820,851.25</u>
Total liabilities	<u>38,034,755,442.92</u>	<u>40,604,083,169.79</u>

4. APPENDIX – CONTINUED

4.1 Financial Statement – Continued

CONSOLIDATED BALANCE SHEET – CONTINUED

30 September 2020

Prepared by: China Aluminum International Engineering Corporation Limited

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	30 September 2020	31 December 2019
Owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	2,959,066,667.00	2,959,066,667.00
Other equity instruments	2,498,584,905.65	2,996,084,905.65
Including: Preferred shares		
Perpetual bonds	2,498,584,905.65	2,996,084,905.65
Capital reserve	866,668,019.15	795,341,809.69
Less: treasury stock		
Other comprehensive income	186,375,374.35	223,826,729.99
Special reserve	110,572,225.92	124,905,233.17
Surplus reserve	201,586,598.10	201,586,598.10
General risk reserve		
Undistributed profits	3,561,510,593.90	4,021,247,997.05
Total equity attributable to the parent's owner (or shareholders' equity)	<u>10,384,364,384.07</u>	<u>11,322,059,940.65</u>
Minority interests	6,766,056,031.02	4,073,320,010.18
Total owners' equity (or shareholders' equity)	<u>17,150,420,415.09</u>	<u>15,395,379,950.83</u>
Total liabilities and owners' equity (or shareholders' equity)	<u>55,185,175,858.01</u>	<u>55,999,463,120.62</u>

Legal representative:
WU Jianqiang

Accounting principal:
ZHANG Jian

Accounting function's principal:
ZHANG Xiuyin

4. APPENDIX – CONTINUED

4.1 Financial Statement – Continued

BALANCE SHEET OF THE PARENT

30 September 2020

Prepared by: China Aluminum International Engineering Corporation Limited

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	30 September 2020	31 December 2019
Current assets:		
Monetary fund	1,481,776,430.09	2,373,696,059.99
Held-for-trading financial assets		
Derivative financial assets		
Notes receivable	49,312,075.25	139,433,342.34
Accounts receivable	2,057,506,748.13	1,516,735,150.81
Financing of receivables		
Prepayments	165,530,771.47	83,025,087.51
Other receivables	6,509,269,509.03	5,320,321,539.47
Including: Interest receivable		
Dividends receivable	409,211,914.08	130,825,077.12
Inventories	170,179,972.31	156,652,612.17
Contract assets	423,596,417.94	559,798,235.37
Held-for-sale assets		
Non-current assets due within one year	1,126,665,290.70	1,150,000,000.00
Other current assets	122,829,376.00	96,188,791.51
Total current assets	12,106,666,590.92	11,395,850,819.17

4. APPENDIX – CONTINUED

4.1 Financial Statement – Continued

BALANCE SHEET OF THE PARENT – CONTINUED

30 September 2020

Prepared by: China Aluminum International Engineering Corporation Limited

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	30 September 2020	31 December 2019
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables	860,757,487.39	1,038,065,453.50
Long-term equity investments	6,206,278,336.33	6,160,668,872.38
Other equity instrument investments	20,180,000.00	18,180,000.00
Other non-current financial assets	18,900,000.00	18,900,000.00
Investment properties		
Fixed assets	77,277,692.05	80,233,096.11
Construction in progress		
Bearer biological assets		
Oil & gas assets		
Rights-of-use assets		
Intangible assets	142,570,069.37	147,688,005.51
Development costs		
Goodwill		
Long-term prepaid expenses		
Deferred income tax assets	90,869,853.98	81,208,124.13
Other non-current assets		
Total non-current assets	7,416,833,439.12	7,544,943,551.63
Total assets	19,523,500,030.04	18,940,794,370.80

4. APPENDIX – CONTINUED

4.1 Financial Statement – Continued

BALANCE SHEET OF THE PARENT – CONTINUED

30 September 2020

Prepared by: China Aluminum International Engineering Corporation Limited

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	30 September 2020	31 December 2019
Current liabilities:		
Short-term borrowings	2,645,743,552.61	2,849,800,200.00
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable	101,768,000.00	129,848,202.57
Accounts payable	1,966,597,634.10	1,899,655,199.50
Advance receipts		
Contract liabilities	817,037,990.51	706,997,265.31
Employee compensation payable	5,177,016.35	5,152,326.82
Taxes payable	6,443,686.34	7,021,293.26
Other payables	1,315,276,391.15	1,180,427,289.85
Including: Interest payable		
Dividends payable	79,350,000.00	30,000,000.00
Held-for-sale liabilities		
Non-current liabilities due within one year	600,000,000.00	740,000,000.00
Other current liabilities	1,042,304,496.95	1,045,727,361.76
Total current liabilities	8,500,348,768.01	8,564,629,139.07

4. APPENDIX – CONTINUED

4.1 Financial Statement – Continued

BALANCE SHEET OF THE PARENT – CONTINUED

30 September 2020

Prepared by: China Aluminum International Engineering Corporation Limited

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	30 September 2020	31 December 2019
Non-current liabilities:		
Long-term borrowings	4,099,000,000.00	2,990,000,000.00
Debt securities payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities		
Long-term payables		
Long-term employee compensation payable	3,814,000.00	3,754,000.00
Estimated liabilities		
Deferred income		
Deferred income tax liabilities	1,029,285.00	
Other non-current liabilities		
Total non-current liabilities	4,103,843,285.00	2,993,754,000.00
Total liabilities	12,604,192,053.01	11,558,383,139.07

4. APPENDIX – CONTINUED

4.1 Financial Statement – Continued

BALANCE SHEET OF THE PARENT – CONTINUED

30 September 2020

Prepared by: China Aluminum International Engineering Corporation Limited

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	30 September 2020	31 December 2019
Owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	2,959,066,667.00	2,959,066,667.00
Other equity instrument	2,498,584,905.65	2,996,084,905.65
Including: Preferred shares		
Perpetual bonds	2,498,584,905.65	2,996,084,905.65
Capital reserve	1,190,696,521.57	1,193,196,521.57
Less: treasury stock		
Other comprehensive income	17,566,885.00	11,735,970.00
Special reserve	850,363.19	810,240.05
Surplus reserve	201,586,598.10	201,586,598.10
Undistributed profits	50,956,036.52	19,930,329.36
Total owners' equity (or shareholders' equity)	6,919,307,977.03	7,382,411,231.73
Total liabilities and owners' equity (or shareholders' equity)	19,523,500,030.04	18,940,794,370.80

Legal representative:
WU Jianqiang

Accounting principal:
ZHANG Jian

Accounting function's principal:
ZHANG Xiuyin

4. APPENDIX – CONTINUED

4.1 Financial Statement – Continued

CONSOLIDATED INCOME STATEMENT

For January to September 2020

Prepared by: China Aluminum International Engineering Corporation Limited

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	Third quarter of 2020 (From July to September)	Third quarter of 2019 (From July to September)	For the first three quarters of 2020 (From January to September)	For the first three quarters of 2019 (From January to September)
I. Total operating revenue	6,429,238,402.21	7,454,178,847.81	16,375,848,864.71	20,970,677,719.67
of which: Operating revenue	6,429,238,402.21	7,454,178,847.81	16,375,848,864.71	20,970,677,719.67
Interest income				
Earned premium				
Handling fees and commission income				
II. Total operating cost	6,492,542,015.74	7,351,032,837.11	16,470,206,001.72	20,708,924,498.91
of which: Operating cost	5,908,908,559.39	6,784,502,438.62	14,925,915,221.99	19,079,057,805.17
Interest expense				
Handling fees and commission expense				
Surrender value				
Compensation expenses, net				
Drawing reserves for insurance contracts, net				
Policy bonus dividend expense				
Cession cost				
Taxes and surcharges	27,038,753.51	21,886,140.30	73,262,470.70	72,867,399.52
Sales expense	21,752,020.08	28,915,285.46	65,749,257.95	80,048,941.66
Administrative expense	275,462,689.73	223,835,101.85	740,579,811.69	749,717,498.28
R&D expense	173,000,432.47	125,713,960.83	335,613,383.23	298,895,834.43
Finance expense	86,379,560.56	166,179,910.05	329,085,856.16	428,337,019.85

4. APPENDIX – CONTINUED

4.1 Financial Statement – Continued

CONSOLIDATED INCOME STATEMENT – CONTINUED

For January to September 2020

Prepared by: China Aluminum International Engineering Corporation Limited

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	Third quarter of 2020 (From July to September)	Third quarter of 2019 (From July to September)	For the first three quarters of 2020 (From January to September)	For the first three quarters of 2019 (From January to September)
Including: Interest expense	126,331,245.87	178,665,105.83	436,987,053.48	532,571,852.44
Interest income	25,107,440.71	40,961,428.56	123,950,251.26	160,461,659.02
Add: Other gains	5,844,761.70	10,833,863.78	44,399,212.71	16,937,397.02
Gain on investment (“–” for loss)	8,328,308.14	16,618,095.61	-14,844,709.19	10,274,597.36
Including: Share of investment gain of associates and joint ventures	1,050,358.95	3,335,465.46	-1,922,560.20	810,220.79
Gain on de-recognition of financial assets measured at amortization cost	23,315,787.02		2,304,534.60	
Exchange gains (“–” for loss)				
Gain on exposure netting (“–” for loss)				
Gain on fair value change (“–” for loss)				164,450.00
Credit impairment loss (“–” for loss)	93,470,153.95	-2,989,829.52	4,399,765.84	-38,517,998.10
Asset impairment loss (“–” for loss)	0.00			
Gains on disposal of assets (“–” for loss)	366,951.30	195,305.75	10,385,524.85	3,691,442.91

4. APPENDIX – CONTINUED

4.1 Financial Statement – Continued

CONSOLIDATED INCOME STATEMENT – CONTINUED

For January to September 2020

Prepared by: China Aluminum International Engineering Corporation Limited

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	Third quarter of 2020 (From July to September)	Third quarter of 2019 (From July to September)	For the first three quarters of 2020 (From January to September)	For the first three quarters of 2019 (From January to September)
III. Operating profit (“–” for loss)	44,706,561.56	127,803,446.32	-50,017,342.80	254,303,109.95
Add: non-operating income	14,894,633.34	9,998,138.97	53,767,313.98	27,161,363.28
Less: non-operating expense	916,750.62	15,557,267.91	3,513,625.73	45,664,131.59
IV. Total profit (“–” for total loss)	58,684,444.28	122,244,317.38	236,345.45	235,800,341.64
Less: income tax expense	60,713,139.99	58,469,325.12	85,324,007.03	76,979,241.49
V. Net profit (“–” for net loss)	-2,028,695.71	63,774,992.26	-85,087,661.58	158,821,100.15
1. Net profit from continuing operations (“–” for net loss)	-2,028,695.71	63,774,992.26	-85,087,661.58	158,821,100.15
2. Net profit from discontinued operations (“–” for net loss)				
1. Net profit attributable to shareholders of the parent (“–” for net loss)	-35,884,514.57	11,988,982.22	-179,038,206.51	22,050,225.58
2. Minority shareholders gain and loss (“–” for net loss)	33,855,818.86	51,786,010.04	93,950,544.93	136,770,874.57

4. APPENDIX – CONTINUED

4.1 Financial Statement – Continued

CONSOLIDATED INCOME STATEMENT – CONTINUED

For January to September 2020

Prepared by: China Aluminum International Engineering Corporation Limited

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	Third quarter of 2020 (From July to September)	Third quarter of 2019 (From July to September)	For the first three quarters of 2020 (From January to September)	For the first three quarters of 2019 (From January to September)
VI. Other comprehensive income, net of tax	-61,242,912.61	-33,532,291.91	-37,451,355.64	726,496.35
(I) Other comprehensive income attributable to owners of the parent, net of tax	-61,229,861.21	-33,468,914.32	-37,451,355.64	726,496.35
1. Items that may not be reclassified to profit or loss	90,424.59	-9,130,278.78	-3,114,791.88	14,235,126.82
(1) Change on remeasurement of defined benefit plan	8,859.18	5,706.50	-19,850.00	-7,650.00
(2) Other comprehensive income under equity method that may not be transferred to profit or loss				
(3) Change in fair value of other equity instrument investments	81,565.41	-9,135,985.28	-3,094,941.88	14,242,776.82
(4) Fair value change arising from credit risk of the Company				
2. Items that will be reclassified to profit or loss	-61,320,285.80	-24,338,635.54	-34,336,563.76	-13,508,630.47
(1) Other comprehensive income under equity method that may be transferred to profit or loss				
(2) Change in fair value of other debt investments		180,458.31		180,458.31
(3) Amount recorded in other comprehensive income upon financial assets reclassification				
(4) Credit impairment provision for other debt investment				
(5) Cash flow hedge reserve	-4,560,345.00		5,832,615.00	

4. APPENDIX – CONTINUED

4.1 Financial Statement – Continued

CONSOLIDATED INCOME STATEMENT – CONTINUED

For January to September 2020

Prepared by: China Aluminum International Engineering Corporation Limited

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	Third quarter of 2020 (From July to September)	Third quarter of 2019 (From July to September)	For the first three quarters of 2020 (From January to September)	For the first three quarters of 2019 (From January to September)
(6) Foreign currency translation difference in financial statements	-56,759,940.80	-24,519,093.85	-40,169,178.76	-13,689,088.78
(7) Other				
(II) Other comprehensive income attributable to minority shareholders, net of tax	-13,051.40	-63,377.59		
VII. Total comprehensive income	-63,271,608.32	30,242,700.35	-122,539,017.22	159,547,596.50
(1) Total comprehensive income attributable to owners of the parent	-97,114,375.78	-21,479,932.10	-216,489,562.15	22,776,721.93
(2) Total comprehensive income attributable to minority shareholders	33,842,767.46	51,722,632.45	93,950,544.93	136,770,874.57
VIII. Earnings per share:				
(1) Basic earnings per share (Yuan/share)			-0.09	-0.003
(2) Diluted earnings per share (Yuan/share)				

For business combination involving enterprises under common control during this period, the net profit realized by the acquire before the business combination is RMB0 as compared to RMB0 for the last period.

Legal representative:
WU Jianqiang

Accounting principal:
ZHANG Jian

Accounting function's principal:
ZHANG Xiuyin

4. APPENDIX – CONTINUED

4.1 Financial Statement – Continued

INCOME STATEMENT OF THE PARENT

January to September 2020

Prepared by: China Aluminum International Engineering Corporation Limited

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	Third quarter of 2020 (From July to September)	Third quarter of 2019 (From July to September)	For the first three quarters of 2020 (From January to September)	For the first three quarters of 2019 (From January to September)
I. Operating revenue	778,458,141.99	348,213,788.49	1,304,136,808.48	668,003,130.39
Less: Operating cost	758,434,428.18	307,796,512.49	1,258,774,500.81	585,571,889.70
Taxes and surcharges	1,184,577.85	258,972.27	3,262,727.30	2,093,557.50
Sales expense	5,185,290.34	8,067,290.70	19,938,335.67	25,025,089.20
Administrative expense	33,396,338.29	40,928,152.15	110,824,513.92	104,765,907.47
R&D expense	7,631,768.81	9,370,924.79	23,623,638.86	29,208,692.82
Finance expense	-15,083,223.42	60,679,090.72	16,589,362.79	168,220,791.49
Including: Interest expense	75,207,100.24	142,139,479.70	261,475,709.76	427,804,222.91
Interest income	71,592,528.13	93,765,797.01	228,720,686.76	279,030,068.69
Add: other gains	320,139.75	11,902.88	1,186,214.74	289,887.96
Gain on investment (“-” for loss)	233,505,877.98	65,000,000.00	355,844,409.75	270,195,718.16
Including: Share of investment gain of associates and joint ventures	-851,727.21		2,907,346.20	-949,718.57
Gain on de-recognition of financial assets measured at amortisation cost				
Gain on exposure netting (“-” for loss)				
Gain on fair value change (“-” for loss)				
Credit impairment loss (“-” for loss)	-714,823.09	10,546,757.94	-65,149,745.85	-14,469,606.11
Asset impairment loss (“-” for loss)		-6,976,685.44		-6,976,685.44
Gains on disposal of assets (“-” for loss)				

4.1 Financial Statement – Continued

January to September 2020

Unit: Yuan Currency: RMB Audit status: Unaudited

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4. APPENDIX – CONTINUED

4.1 Financial Statement – Continued

INCOME STATEMENT OF THE PARENT – CONTINUED

January to September 2020

Prepared by: China Aluminum International Engineering Corporation Limited

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	Third quarter of 2020 (From July to September)	Third quarter of 2019 (From July to September)	For the first three quarters of 2020 (From January to September)	For the first three quarters of 2019 (From January to September)
V. Other comprehensive income, net of tax	2,000.00	-9,589,245.48	5,832,915.00	13,760,369.98
(I) Other comprehensive income that may not be reclassified to profit or loss	2,000.00	-9,589,245.48	300.00	13,760,369.98
1. Change on remeasurement of defined benefit plan	2,000.00	-300.00	300.00	-2,000.00
2. Other comprehensive income under equity method that may not be transferred to profit or loss				
3. Change in fair value of other equity instrument investment		-9,588,945.48		13,762,369.98
4. Fair value change arising from credit risk of the Company				
(II) Other comprehensive income that will be reclassified to profit or loss			5,832,615.00	
1. Other comprehensive income under equity method that may be transferred to profit or loss				
2. Change in fair value of other debt investments				
3. Amount recorded in other comprehensive income upon financial assets reclassification				
4. Credit impairment provision for other debt investment				
5. Cash flow hedge reserve			5,832,615.00	

4. APPENDIX – CONTINUED

4.1 Financial Statement – Continued

INCOME STATEMENT OF THE PARENT – CONTINUED

January to September 2020

Prepared by: China Aluminum International Engineering Corporation Limited

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	Third quarter of 2020 (From July to September)	Third quarter of 2019 (From July to September)	For the first three quarters of 2020 (From January to September)	For the first three quarters of 2019 (From January to September)
6. Foreign currency translation difference in financial statements				
7. Other				
VI. Total comprehensive income	<u>220,591,352.96</u>	<u>-20,576,177.00</u>	<u>178,828,350.82</u>	<u>21,469,662.17</u>
VII. Earnings per share:				
(1) Basic earnings per share (Yuan/share)				
(2) Diluted earnings per share (Yuan/share)				
Legal representative: WU Jianqiang	Accounting principal: ZHANG Jian	Accounting function's principal: ZHANG Xiuyin		

4. APPENDIX – CONTINUED

4.1 Financial Statement – Continued

CONSOLIDATED STATEMENT OF CASH FLOWS

January to September 2020

Prepared by: China Aluminum International Engineering Corporation Limited

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	For the first three quarters of 2020 (From January to September)	For the first three quarters of 2019 (From January to September)
I. Cash flows from operating activities:		
Cash received from sales of goods or rendering of services	16,527,171,746.21	18,649,558,510.32
Net increase in customer deposits and interbank deposits		
Net increase in borrowings from central banks		
Net increase in placements with other financial institutions		
Cash received from the premiums of the original insurance contract		
Net cash received from reinsurance		
Net increase in household savings and investment funds		
Cash received from interests, handling fees and commissions		
Net increase in unloading funds		
Net increase in income from repurchase transactions		
Net cash received from the agent of trading securities		
Tax rebate received	15,768,021.17	57,238,462.33
Cash received relating to other operating activities	81,089,851.97	758,945,127.93
Sub-total of cash inflows from operating activities	<u>16,624,029,619.35</u>	<u>19,465,742,100.58</u>

4. APPENDIX – CONTINUED

4.1 Financial Statement – Continued

CONSOLIDATED STATEMENT OF CASH FLOWS – CONTINUED

January to September 2020

Prepared by: China Aluminum International Engineering Corporation Limited

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	For the first three quarters of 2020 (From January to September)	For the first three quarters of 2019 (From January to September)
Cash paid for goods and services	15,651,356,891.27	17,798,397,302.02
Net increase in loans and advances to customers		
Net increase in deposit with central banks and interbank		
Cash paid for a claim under an original insurance contract		
Net increase in funds lent		
Cash paid for interests, handling fees and commissions		
Cash paid for policy bonus dividend		
Cash paid to and for employees	1,529,894,024.95	1,681,448,561.73
Taxes paid	546,606,567.03	524,640,922.32
Other cash paid relating to operating activities	199,230,256.79	267,305,368.74
Subtotal of cash outflows from operating activities	17,927,087,740.04	20,271,792,154.81
Net cash flows from operating activities	-1,303,058,120.69	-806,050,054.23
II. Cash flows from investing activities:		
Cash received from refund of investments	3,561,827,791.33	4,760,757,627.54
Cash received from gain on investment	46,271,995.17	6,359,692.94
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,273,144.13	1,189,201.09
Net cash received from disposal of subsidiaries and other business units	1,888,907.40	89,855,835.11
Other cash received relating to investing activities	7,712,920.18	7,040,794.26
Subtotal of cash inflows from investing activities	3,618,974,758.21	4,865,203,150.94

4. APPENDIX – CONTINUED

4.1 Financial Statement – Continued

CONSOLIDATED STATEMENT OF CASH FLOWS – CONTINUED

January to September 2020

Prepared by: China Aluminum International Engineering Corporation Limited

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	For the first three quarters of 2020 (From January to September)	For the first three quarters of 2019 (From January to September)
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	2,850,065,942.37	777,311,649.85
Cash paid for investment	3,549,756,276.53	5,085,040,693.06
Net increase in pledged loans		
Net cash paid for acquisition of subsidiaries and other business units	7,557,418.56	628,068,539.60
Other cash paid relating to investing activities	180,830,213.35	259,338,083.35
Subtotal of cash outflows from investing activities	6,588,209,850.81	6,749,758,965.86
Net cash flows from investing activities	-2,969,235,092.60	-1,884,555,814.92
III. Cash flows from financing activities:		
Cash received from absorption of investment	2,600,000,000.00	454,300,000.00
Including : Cash received by subsidiaries from absorption of investment of minority shareholders		
Cash received from borrowings	18,596,513,751.33	12,301,310,801.86
Other cash received relating to financing activities	1,000,000,000.00	1,769,242,175.36
Subtotal of cash inflows from financing activities	22,196,513,751.33	14,524,852,977.22
Cash paid for debt repayment	20,851,846,323.29	11,464,617,970.55
Cash paid for distribution of dividends or profit or payment of interests	665,310,461.23	794,027,502.80
Including: Dividends and profits paid by subsidiaries to minority shareholders		
Other cash paid relating to financing activities	583,835,229.67	990,433,179.98
Subtotal of cash outflows from financing activities	22,100,992,014.19	13,249,078,653.33
Net cash flows from financing activities	95,521,737.14	1,275,774,323.89

4. APPENDIX – CONTINUED

4.1 Financial Statement – Continued

CONSOLIDATED STATEMENT OF CASH FLOWS – CONTINUED

January to September 2020

Prepared by: China Aluminum International Engineering Corporation Limited

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	For the first three quarters of 2020 (From January to September)	For the first three quarters of 2019 (From January to September)
IV. Impact of exchange rate changes on cash and cash equivalents	<u>-934,399.39</u>	<u>17,816,027.39</u>
V. Net increase in cash and cash equivalents	<u>-4,177,705,875.54</u>	<u>-1,397,015,517.87</u>
Add: Balance of cash and cash equivalents at the beginning of the period	<u>9,120,495,450.16</u>	<u>5,831,581,515.94</u>
VI. Balance of cash and cash equivalents at the end of the period	<u>4,942,789,574.62</u>	<u>4,434,565,998.07</u>

Legal representative:
WU Jianqiang

Accounting principal:
ZHANG Jian

Accounting function's principal:
ZHANG Xiuyin

4. APPENDIX – CONTINUED

4.1 Financial Statement – Continued

STATEMENT OF CASH FLOWS OF THE PARENT

January to September 2020

Prepared by: China Aluminum International Engineering Corporation Limited

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	For the first three quarters of 2020 (From January to September)	For the first three quarters of 2019 (From January to September)
I. Cash flows from operating activities:		
Cash received from sales of goods or rendering of services	1,703,725,790.67	905,382,637.28
Tax rebate received	274,554.28	6,167,205.52
Cash received relating to other operating activities	1,131,924,792.47	1,302,103,577.31
Subtotal of cash inflows from operating activities	2,835,925,137.42	2,213,653,420.11
Cash paid for goods or services	1,985,472,509.43	1,183,196,704.23
Cash paid to and for employees	168,983,131.81	193,397,380.06
Taxes paid	15,287,651.98	9,377,938.62
Other cash paid relating to operating activities	1,032,140,108.29	1,988,850,651.38
Subtotal of cash outflows from operating activities	3,201,883,401.51	3,374,822,674.29
Net cash flows from operating activities	-365,958,264.09	-1,161,169,254.18

4. APPENDIX – CONTINUED

4.1 Financial Statement – Continued

STATEMENT OF CASH FLOWS OF THE PARENT – CONTINUED

January to September 2020

Prepared by: China Aluminum International Engineering Corporation Limited

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	For the first three quarters of 2020 (From January to September)	For the first three quarters of 2019 (From January to September)
II. Cash flows from investing activities:		
Cash received from refund of investments	6,837,488,233.33	9,505,744,000.00
Cash received from gain on investment	259,945,525.92	401,845,861.86
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	12,555.59	
Net cash received from disposal of subsidiaries and other business units	1,000,000.00	36,572,518.00
Other cash received relating to investing activities		37,619,133.33
Subtotal of cash inflows from investing activities	<u>7,098,446,314.84</u>	<u>9,981,781,513.19</u>
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	320,503.41	582,965.00
Cash paid for investment	7,271,483,433.33	10,025,648,000.00
Net cash paid for acquisition of subsidiaries and other business units	49,520,500.00	447,674,379.80
Other cash paid relating to investing activities	179,736,713.35	
Subtotal of cash outflows from investing activities	<u>7,501,061,150.09</u>	<u>10,473,905,344.80</u>
Net cash flows from investing activities	<u>-402,614,835.25</u>	<u>-492,123,831.61</u>

4. APPENDIX – CONTINUED

4.1 Financial Statement – Continued

STATEMENT OF CASH FLOWS OF THE PARENT – CONTINUED

January to September 2020

Prepared by: China Aluminum International Engineering Corporation Limited

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	For the first three quarters of 2020 (From January to September)	For the first three quarters of 2019 (From January to September)
III. Cash flows from financing activities:		
Cash received from absorption of investment		
Cash received from borrowings	13,035,422,787.16	7,800,000,000.00
Other cash received relating to financing activities	<u>1,000,000,000.00</u>	<u>1,000,000,000.00</u>
Subtotal of cash inflows from financing activities	<u>14,035,422,787.16</u>	<u>8,800,000,000.00</u>
Cash paid for debt repayment	13,275,167,323.29	7,782,703,323.09
Cash paid for distribution of dividends or profit or payment of interests	335,482,383.04	450,092,493.65
Other cash paid relating to financing activities	<u>500,372,222.23</u>	<u>1,536,978.56</u>
Subtotal of cash outflows from financing activities	<u>14,111,021,928.56</u>	<u>8,234,332,795.30</u>
Net cash flows from financing activities	<u>-75,599,141.40</u>	<u>565,667,204.70</u>

4. APPENDIX – CONTINUED

4.1 Financial Statement – Continued

STATEMENT OF CASH FLOWS OF THE PARENT – CONTINUED

January to September 2020

Prepared by: China Aluminum International Engineering Corporation Limited

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	For the first three quarters of 2020 (From January to September)	For the first three quarters of 2019 (From January to September)
IV. Impact of exchange rate changes on cash and cash equivalents	<u>2,744,710.84</u>	<u>113,572.52</u>
V. Net increase in cash and cash equivalents	<u>-841,427,529.90</u>	<u>-1,087,512,308.57</u>
Add: Balance of cash and cash equivalents at the beginning of the period	<u>2,319,883,981.64</u>	<u>2,184,186,118.60</u>
VI. Balance of cash and cash equivalents at the end of the period	<u>1,478,456,451.74</u>	<u>1,096,673,810.03</u>

Legal representative:
WU Jianqiang

Accounting principal:
ZHANG Jian

Accounting function's principal:
ZHANG Xiuyin

4. APPENDIX – CONTINUED

4.2 Related conditions on the adjustments of first time application of financial statement for the beginning of then year by first time application of new accounting standards for revenue and lease since 2020

☐ Applicable ☒ Not applicable

4.3 Explanation on retrospective adjustments of previous comparative figures by first time application of new accounting standards for revenue and lease since 2020

☐ Applicable ☒ Not applicable

4.4 Audit report

☐ Applicable ☒ Not applicable

By Order of the Board
China Aluminum International Engineering Corporation Limited
ZHANG Jian
Joint Company Secretary

Beijing, the PRC, 27 October 2020

As at the date of this announcement, the non-executive directors are Mr. WANG Jun and Mr. LI Yihua; the executive directors are Mr. WU Jianqiang, Mr. WU Zhigang and Mr. ZHANG Jian; and the independent non-executive directors are Mr. GUI Weihua, Mr. CHEUNG Hung Kwong and Mr. FU Jun.