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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)

**OVERSEAS REGULATORY ANNOUNCEMENT  
AND INSIDE INFORMATION ANNOUNCEMENT**

This announcement is made pursuant to Rule 13.10B and Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Set out below is the full text of the information published by Aluminum Corporation of China Limited\* on the website of the Shanghai Stock Exchange for reference only.

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

Beijing, the PRC  
23 March 2021

*As at the date of this announcement, the members of the Board comprise Mr. Zhu Runzhou (Executive Director); Mr. Ao Hong and Mr. Wang Jun (Non-executive Directors); Ms. Chen Lijie, Mr. Hu Shihai and Mr. Lie-A-Cheong Tai Chong, David (Independent Non-executive Directors).*

\* *For identification purpose only*

## **ALUMINUM CORPORATION OF CHINA LIMITED ANNOUNCEMENT ON PROVISIONS FOR IMPAIRMENT ON ASSETS**

*The board of directors and all directors of the Company warrant that there are no false representations or misleading statements contained in, or material omissions from this announcement, and jointly and severally accept responsibilities for the truthfulness, accuracy and completeness of this announcement.*

At the fifteenth meeting of the seventh session of the board of directors of Aluminum Corporation of China Limited\* (the “**Company**”), the Resolution in Relation to Proposed Provisions for Impairment on Assets of the Company was considered and approved, the details of which are as follows:

### **I. BASIC INFORMATION ON THE PROVISIONS FOR IMPAIRMENT ON ASSETS OF THE COMPANY**

In accordance with the requirements under the PRC Accounting Standards for Business Enterprises, the International Financial Reporting Standards and the internal control of the Company, the Company conducted identification and test for impairment on the assets as of 31 December 2020. Based on the results of the identification and test, the Company made provisions for credit impairment on receivables (net) in an amount of RMB979 million and impairment on long-term assets (net) in an amount of RMB433 million. The provisions for impairment on assets (net) mentioned above resulted in the decrease of RMB1.225 billion in net profit attributable to the shareholders of the listed company in the consolidated financial statements of the Company for 2020.

### **II. INFORMATION ON MAIN ADDITIONAL PROVISIONS FOR IMPAIRMENT**

#### **(I) Provisions for impairment on receivables**

Pursuant to the provisions under the Accounting Standards for Business Enterprises No. 8 - Impairment of Assets, the Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments, the International Financial Reporting Standards 36 - Impairment of Assets and the International Financial Reporting Standards 9 - Financial Instruments, the Company measures the provisions for loss on receivables generated during the course of its daily operation based on the expected credit losses. Among which, for the receivables from customers with excellent credit rating and with collaterals, the expected credit losses are assessed on individual basis; and for other receivables from product sale and services provision, the expected credit losses are assessed based on the characteristics of credit risk and the aging portfolio.

Due to the impact of the COVID-19 pandemic and changes in the external environment in 2020, some customers of the Company have encountered difficulties in their production and operation, resulting in the occurrence of indications of impairment for relevant debt receivables of the Company. Upon impairment test, the major impairment events were found as follows:

1. China Aluminum International Trading Group Co., Ltd. (中鋁國際貿易集團有限公司) and China Aluminum International Trading Co., Ltd. (中鋁國際貿易有限公司), wholly-owned subsidiaries of the Company, conducted measurement and calculation on the recoverable amounts of debt receivables for which expected credit losses were assessed on individual basis in accordance with the progress of the enforcement of the collaterals and the comprehensive realization rate, and made additional provisions for impairment in an amount of RMB461 million at the end of 2020, resulting in the decrease of RMB408 million in the net profit attributable to the shareholders of the listed company in the consolidated financial statements of the Company for 2020.
2. For debt of the head office due from Shanxi Jiexiu Xinyugou Coal Co., Ltd. (山西介休鑫峪溝煤業有限公司), the Company has selected and appointed a valuer to conduct valuation on the collaterals for such debt. Based on the results of the assets valuation, taking into consideration local realization coefficient of the mortgaged assets of same type, the Company conducted measurement and calculation on the recoverable amounts and made additional provisions for impairment in an amount of RMB390 million at the end of 2020, resulting in the decrease of RMB390 million in the net profit attributable to the shareholders of the listed company in the consolidated financial statements of the Company for 2020.
3. For debt of Chalco Energy Co., Ltd. (中鋁能源有限公司), a wholly-owned subsidiary of the Company, due from Guizhou Chinalco Hengtaihe Mining Co., Ltd. (貴州中鋁恒泰合礦業有限公司) (“**Hengtaihe**”), the Company made additional provisions for impairment in an amount of RMB85 million based on the progress and results of the auction of certain bankrupt assets of Hengtaihe at the end of 2020, resulting in the decrease of RMB85 million in the net profit attributable to the shareholders of the listed company in the consolidated financial statements of the Company for 2020.

## **(II) Provisions for impairment on long-term assets**

Pursuant to the provisions under the Accounting Standard for Business Enterprises No. 8 – Impairment of Assets and the International Financial Reporting Standards 36 – Impairment of Assets, the Company conducted evaluation on the recoverable amounts for long-term assets with indications of impairment and made provisions for impairment based on the difference between the recoverable amounts and the book value. The main impairment events were found as follows:

In November 2020, the judicial disposal of 135,000 tonnes of electrolytic aluminum capacity quota for Shandong Huayu Alloy Materials Co., Ltd. (山東華宇合金材料有限公司) (“**Shandong Huayu**”), a controlled subsidiary of the Company, was completed (please refer to the Announcement of Aluminum Corporation of China Limited\* on Yunnan Aluminum Co., Ltd.’s Success of Bidding for the 135,000 Tonnes of Electrolytic Aluminum Capacity Quota of Shandong Huayu Alloy Materials Co., Ltd. and the Related Transaction published on 4 November 2020 for details). It was unlikely for the relevant long-term assets, including the electrolytic aluminum, carbon, aluminum processing and thermoelectricity, to continue with their normal operation and use, and obviously, there was indication that the assets were impaired. The Company selected and appointed a valuer to conduct valuation on the assets and net assets of Shangdong Huayu as of 31 December 2020. Based on the results of the valuation, the Company was required to make provisions for impairment on long-term assets in an amount of RMB382 million at the end of 2020, resulting in the decrease of RMB210 million in the net profit attributable to the shareholders of the listed company in the consolidated financial statements of the Company for 2020.

## **III. RELEVANT PROCEDURES FOR APPROVAL**

The provisions for impairment on assets have been considered and approved at the fifteenth meeting of the seventh session of the board of directors and the eighth meeting of the seventh session of the supervisory committee of the Company which were convened on 23 March 2021 and 22 March 2021, respectively. The independent directors of the Company have also expressed their independent opinions in respect of the provisions for impairment on assets.

The board of directors of the Company is of the view that: The provisions for impairment on assets are in accordance with the relevant provisions under the Accounting Standards for Business Enterprises and the International Financial Reporting Standards, and the actual conditions of the Company’s assets. After the provisions for impairment, the annual financial statements for 2020 of the Company will reflect the conditions of the Company’s assets in a more fair manner, which will make the accounting information of the Company more reliable and reasonable.

The supervisory committee of the Company is of the view that: The provisions for impairment on assets are in accordance with the relevant provisions under the Accounting Standards for Business Enterprises and the International Financial Reporting Standards, the actual conditions of the Company's assets. The procedures for the approval of the provisions for impairment are in compliance with relevant laws and regulations and with solid reasons. The provisions for impairment will reflect the conditions of the Company's assets in a truer manner, and the supervisory committee of the Company approved such provisions for impairment of assets.

The independent directors of the Company are of the view that: The provisions for impairment on assets are in accordance with the relevant provisions under the Accounting Standards for Business Enterprises, the International Financial Reporting Standards, and the actual conditions of the Company's assets. The procedures for the approval of the provisions for impairment are in compliance with relevant laws and regulations. After the provisions for impairment, the financial statements of the Company for 2020 will reflect the conditions of the Company's assets in a more fair manner, which will facilitate the provision of more accurate and reliable accounting information to the investors without impairing the interests of the Company and the shareholders, especially the interests of minority shareholders.

The announcement is hereby given.

**The Board of Directors of  
Aluminum Corporation of China Limited\***  
23 March 2021

**Documents Available for Inspection:**

1. Resolutions of the fifteenth meeting of the seventh session of the board of directors of Aluminum Corporation of China Limited\*
2. Resolutions of the eighth meeting of the seventh session of the supervisory committee of Aluminum Corporation of China Limited\*
3. Independent opinions on relevant matters from independent directors of Aluminum Corporation of China Limited\*