

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **China Aluminum International Engineering Corporation Limited**, you should at once hand this circular and the form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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CHALIECO
中铝国际

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)

BOARD OF DIRECTORS' WORK REPORT FOR 2022
BOARD OF SUPERVISORS' WORK REPORT FOR 2022
FINANCIAL REPORT FOR 2022
PROVISION FOR IMPAIRMENT OF ASSETS FOR 2022
PROFITS DISTRIBUTION PLAN FOR 2022
PROVISION OF GUARANTEES AMONG HOLDING SUBSIDIARIES
CAPITAL EXPENDITURE PLAN FOR 2023
PURCHASE OF LIABILITY INSURANCE FOR
DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT
REMUNERATION STANDARDS OF DIRECTORS AND SUPERVISORS FOR 2023
CHANGE OF THE ACCOUNTING FIRM
THE ISSUANCE OF THE ONSHORE AND OFFSHORE DEBT FINANCING
INSTRUMENTS
AND
NOTICE OF THE 2022 ANNUAL GENERAL MEETING

The AGM will be held at Conference Room 312 of China Aluminum International Engineering Corporation Limited, Building C, No. 99 Xingshikou Road, Haidian District, Beijing at 9:30 a.m. on Wednesday, 28 June 2023. The Notice of the AGM is set out on pages 36 to 38 of this circular.

If you intend to appoint a proxy to attend the AGM, you should complete the Form of Proxy in accordance with the instructions printed thereon and return the same not less than 24 hours before the time fixed for holding the AGM or any adjournment thereof (as the case may be). Completion and return of the Form of Proxy will not preclude you from attending the AGM and voting in person if you so wish.

12 June 2023

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DEFINITIONS

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

“A Share(s)”	the ordinary shares of the Company with a nominal value of RMB1.00 each which were issued in the PRC and subscribed in RMB and are listed on the SSE
“AGM”	the 2022 annual general meeting of the Company, which is to be held at Conference Room 312 of China Aluminum International Engineering Corporation Limited, Building C, No. 99 Xingshikou Road, Haidian District, Beijing at 9:30 a.m. on Wednesday, 28 June 2023
“Articles” or “Articles of Association”	the articles of association of China Aluminum International Engineering Corporation Limited, as amended, modified or otherwise supplemented from time to time
“Board” or “Board of Directors”	the board of Directors of the Company
“Board of Supervisors”	the supervisory board of the Company
“Changkan Institute”	China Nonferrous Metals Changsha Investigation and Design Research Institute Co., Ltd. (中國有色金屬長沙勘察設計研究院有限公司), a wholly-owned subsidiary of the Company
“Chinalco”	Aluminum Corporation of China Limited (中國鋁業集團有限公司), a wholly state-owned enterprise established in the PRC and the Controlling Shareholder of the Company, holding directly 73.56% of the issued share capital of the Company as at the Latest Practicable Date
“CINF”	Changsha Engineering & Research Institute Limited for Nonferrous Metallurgy (長沙有色冶金設計研究院有限公司), a wholly-owned subsidiary of the Company
“CNPT”	China Nonferrous Metals Processing Technology Co., Ltd. (中色科技股份有限公司), a 92.35%-owned subsidiary of the Company

DEFINITIONS

“Company”	China Aluminum International Engineering Corporation Limited (中鋁國際工程股份有限公司), a joint stock limited company incorporated in the PRC with limited liability, the A Shares of which are listed on the SSE while the H Shares of which are listed on the Stock Exchange
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	the director(s) of the Company
“GAMI”	Guiyang Aluminum & Magnesium Design Institute Co., Ltd. (貴陽鋁鎂設計研究院有限公司), a wholly owned subsidiary of the Company
“H Share(s)”	the overseas listed foreign invested Shares with a nominal value of RMB1.00 each in the ordinary share capital of the Company, which are subscribed for and traded in HK\$ and listed on the Stock Exchange
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“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, as amended, supplemented or otherwise modified from time to time
“Kunming Institute”	Kunming Nonferrous Metallurgical Design and Research Institute Corporation (昆明有色冶金設計研究院股份公司), a 67%-owned subsidiary of the Company
“Kunming Survey and Design Institute”	Kunming Survey and Design Institute Co., Ltd. of China Nonferrous Metals Industry (中國有色金屬昆明勘察設計研究院有限公司), a wholly-owned subsidiary of the Company

DEFINITIONS

“Latest Practicable Date”	7 June 2023, being the latest practicable date prior to the printing of this circular for containing certain information in this circular
“Ninth Metallurgical Company”	Ninth Metallurgical Construction Co., Ltd. (九冶建設有限公司), a 73.17%-owned subsidiary of the Company
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“SAMI”	Shenyang Aluminum & Magnesium Engineering & Research Institute Co., Ltd. (瀋陽鋁鎂設計研究院有限公司), a wholly-owned subsidiary of the Company
“Share(s)”	the shares in the share capital of the Company at par value RMB1.00 per share, including A Shares and H Shares
“Shareholder(s)”	the holders of Shares of the Company
“Sixth Metallurgical Company”	Sixth Metallurgical Construction Company of China Nonferrous Metals Industry (中國有色金屬工業第六冶金建設有限公司), a wholly-owned subsidiary of the Company
“SSE”	the Shanghai Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Company
“Twelfth Metallurgical Company”	Twelfth Metallurgical Construction Company of China Nonferrous Metals Industry (中色十二冶金建設有限公司), a wholly-owned subsidiary of the Company
“%”	per cent



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)

Executive Directors:

Li Yihua
Liu Jing
Liu Ruiping

Non-executive Directors:

Hu Zhenjie
Zhou Xinzhe

Independent Non-executive Directors:

Gui Weihua
Siu Chi Hung
Tong Pengfang

Registered Office in the PRC:

Building C
No. 99 Xingshikou Road
Haidian District
Beijing
PRC

Head Office in the PRC:

Building C
No. 99 Xingshikou Road
Haidian District
Beijing
PRC

*Principal Place of Business
in Hong Kong:*

Room 4501
Far East Finance Centre
No. 16 Harcourt Road
Admiralty
Hong Kong

To the Shareholders

Dear Sir or Madam,

BOARD OF DIRECTORS' WORK REPORT FOR 2022
BOARD OF SUPERVISORS' WORK REPORT FOR 2022
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LETTER FROM THE BOARD

INTRODUCTION

The purpose of this circular is to issue the Notice of the AGM set out on pages 36 to 38 of this circular to you and provide you with relevant information for making informed decisions to vote for or against the ordinary resolutions and special resolution regarding the following matters to be proposed at the AGM:

Ordinary Resolutions

1. To consider and approve the Resolution of the Company on the Board of Directors' work report for 2022;
2. To consider and approve the Resolution of the Company on the Board of Supervisors' work report for 2022;
3. To consider and approve the Resolution of the Company on the financial report for 2022;
4. To consider and approve the Resolution of the Company on the provision for impairment of assets for 2022;
5. To consider and approve the Resolution of the Company on the profits distribution plan for 2022;
6. To consider and approve the Resolution on the provision of guarantees among holding subsidiaries;
7. To consider and approve the Resolution of the Company on the capital expenditure plan for 2023;
8. To consider and approve the Resolution of the Company on the purchase of liability insurance for Directors, Supervisors and senior management;
9. To consider and approve the Resolution of the Company on the remuneration standards of Directors and Supervisors for 2023;
10. To consider and approve the Resolution of the Company on the change of the accounting firm; and

Special Resolution

11. To consider and approve the Resolution of the Company on the issuance of the Onshore and Offshore Debt Financing Instruments.

LETTER FROM THE BOARD

ORDINARY RESOLUTIONS

Board of Directors' Work Report for 2022

An ordinary resolution will be proposed at the AGM to approve the Board of Directors' work report for 2022, the full text of which is set out in Appendix I to this circular.

Board of Supervisors' Work Report for 2022

An ordinary resolution will be proposed at the AGM to approve the Board of Supervisors' work report for 2022, the full text of which is set out in Appendix II to this circular.

Financial Report for 2022

An ordinary resolution will be proposed at the AGM to approve the financial report for 2022. The financial report for 2022 prepared by the Company in accordance with the PRC Accounting Standards for Business Enterprises is summarized as follows:

1. *Revenue and profit*

In 2022, the Company achieved an operating income of RMB23,697 million; total profits of RMB285 million. The net profit attributable to the Shareholders of listed company was RMB113 million.

2. *Cash flows*

In 2022, the net cash inflow from operating activities of the Company was RMB525 million. The net cash outflow from investing activities was RMB4,321 million. The net cash inflow from financing activities was RMB3,867 million.

3. *Assets and liabilities*

As of 31 December 2022, the total assets of the Company were RMB47,391 million, of which current assets and non-current assets amounted to RMB38,182 million and RMB9,209 million, respectively, and the total liabilities were RMB36,936 million. The net assets were RMB10,455 million, of which RMB7,530 million were the net assets attributable to the Shareholders of listed company. The asset-liability ratio was 77.94%.

LETTER FROM THE BOARD

Provision for Impairment of Assets for 2022

An ordinary resolution will be proposed at the AGM to approve the provision for impairment of assets for 2022.

Reference is made to the announcement of the Company dated 7 March 2023. The Company evaluated the carrying amount of assets as of 31 December 2022 in accordance with the PRC Accounting Standards for Business Enterprises and relevant provisions of the accounting policies of the Company, and the provision for impairment of assets was made based on the principle of prudence. After the calculation of the Company, the provision for impairment of assets for 2022 was RMB309 million in total, and the details of which are as follows:

(1) PROVISION FOR IMPAIRMENT OF INVENTORIES

The Company carried out a comprehensive inventory check on the balance sheet date. The provision for impairment of inventories will be made at the lower of cost and net realizable value when its net realizable value is lower than the cost. The provision for impairment of inventories will be made based on the difference between the cost of a single inventory item and the net realizable value. After making the provision for impairment of inventories, in case the factors causing impairment of inventories no longer exist, and the net realizable value of an inventory is higher than its carrying amount, the original provision for impairment of inventories shall be released to the profit or loss for the current period.

Based on the above method, the Company made provision for impairment of inventories of RMB43 million in total in 2022.

(2) PROVISION FOR BAD DEBTS OF RECEIVABLES

The Company made provisions in accordance with the calculation method of provision for bad debts of the receivables. Such method is mainly divided into single provision for bad debts and a provision based on aging analysis. For aging analysis method, a provision of 0.5% is made for items due within 1 year, 10% for items due within 1-2 years, 20% for items due within 2-3 years, 30% for items due within 3-4 years, 50% for items due within 4-5 years and 100% for items due for over 5 years. The Company will continue to make provisions for bad debts in accordance with the above method in future.

Based on the above method for provision for bad debts, the Company made provisions for bad debts of receivables of RMB364 million in 2022.

Apart from the provision made for the impairment of the aforesaid assets, a reversal of impairment of RMB17 million has been accrued in respect of other assets after impairment tests.

Profits Distribution Plan for 2022

An ordinary resolution will be proposed at the AGM to approve profits distribution plan of the Company for 2022.

LETTER FROM THE BOARD

According to the audited financial report of the Company for 2022, the undistributed profit of the parent company was RMB-127,038,527.51. Considering the undistributed profit in the financial statements of the parent company, and in order to ensure the Company's continued and stable operation and the long-term interests of all Shareholders, after taking into account the Company's business plan and capital needs for 2023, the Company recommended not to distribute profits in 2022 nor to convert capital reserves into share capital.

Provision of Guarantees among Holding Subsidiaries

An ordinary resolution will be proposed in the AGM to approve the renewal of a guarantee of RMB100 million by the holding subsidiaries of the Company.

Capital Expenditure Plan for 2023

An ordinary resolution will be proposed at the AGM to approve the capital expenditure plan for 2023.

The total amount of the capital expenditure plan of the Company is RMB50 million, which will be used for production operation and the purchase of fixed assets for our office.

In order to enhance decision-making and management efficiency, the Board intends to submit to the general meeting for approval of the total amount of capital expenditure for the aforesaid limit and the grant of the following authorizations:

- (1) to authorize the management of the Company to execute the capital expenditure plan for 2023, and to review and sign the relevant legal documents;
- (2) to authorize the Board to make adjustment(s) to the total amount of the capital expenditure in response to market changes and the needs of the business development of the Company, provided that such adjustment shall not exceed 20% of the total amount of the capital expenditure plan for 2023;
- (3) to authorize the management of the Company to, before the limit for the capital expenditure plan for 2024 being considered and approved at the general meeting of the Company, temporarily execute the capital expenditure of that year subject to the total amount of the Company's capital expenditure plan for 2023.

Purchase of Liability Insurance for Directors, Supervisors and Senior Management

An ordinary resolution will be proposed at the AGM to approve the purchase of liability insurance for Directors, Supervisors and senior management.

LETTER FROM THE BOARD

In order to protect reasonable interests of the Company itself and the Directors, Supervisors and senior management, the Company intends to purchase liability insurance for Directors, Supervisors and senior management for another term of one year.

The Company proposes Zurich General Insurance Company (China) Limited to act as the principal underwriter of the liability insurance for Directors, Supervisors and senior management of 2023 to 2024 at a share of 80%, while Sunshine P&C Insurance Co., Ltd. (Beijing Branch) will act as the co-insurer at a share of 20%. The amounts insured will be US\$25 million and the gross premium (inclusive of value-added tax) will be US\$75,000. The validity period of the insurance will be from 6 July 2023 to 5 July 2024.

At the same time, it is proposed that the general meeting shall authorize the Chairman of the Board or any other person authorised by the Chairman of the Board, to be responsible for all matters relating to the above-mentioned purchase of the liability insurance for Directors, Supervisors and senior management and to execute all relevant documents.

Remuneration Standards of Directors and Supervisors for 2023

An ordinary resolution will be proposed at the AGM to approve the remuneration standards of Directors and Supervisors for 2023.

The following is the remuneration standards of Directors and Supervisors of the Company for 2023:

Unit: RMB0,000

Position	Remuneration Standard	Remarks
Executive Director	66.3-78	–
Non-executive Director	0	Non-independent directors who do not hold senior management positions in the Company shall not receive any remuneration from the Company.
Independent Director	12	After tax
Chairman of the Board of Supervisors, employee representative Supervisor	66.3	–
Shareholder representative Supervisor	0	Supervisors who do not hold other positions in addition to their functions as Supervisors in the Company shall not receive any remuneration from the Company.

Note: The remuneration standards of executive Directors, the chairman of the Board of Supervisors and the Employee Representative Supervisors mentioned above are annual standards. The final annual remuneration for Executive Directors and the chairman of the Board of Supervisors and the employee representative Supervisor shall also be subject to the Company's annual performance assessment, incentive remuneration, work-related transport allowance, and housing allowance.

LETTER FROM THE BOARD

Change of the Accounting Firm

An ordinary resolution will be proposed at the AGM to approve the change of the accounting firm.

Reference is made the announcement of the Company dated 26 May 2023. Pursuant to the requirements under the Administrative Measures for State-owned Enterprises and Listed Companies to Select and Engage Accounting Firms (Cai Kuai〔2023〕No. 4) (《國有企業、上市公司選聘會計師事務所管理辦法》(財會〔2023〕4號)) (the “**Administrative Measures**”) issued by the Ministry of Finance of the People’s Republic of China (the “**Ministry of Finance**”), the State-owned Assets Supervision and Administration Commission of the State Council (the “**SASAC**”) and the CSRC, and the Circular on the Issues Relating to Accounting Firms Undertaking Audit of Final Financial Accounts of Central State-Owned Enterprises (Cai Kuai〔2011〕No. 24) (《關於會計師事務所承擔中央企業財務決算審計有關問題的通知》(財會〔2011〕24號)) (the “**Circular**”) issued by the Ministry of Finance and the SASAC, the term of audit services provided by Daxin Certified Public Accountants (Special General Partnership) (大信會計師事務所(特殊普通合夥)) (“**Daxin**”) for the Company has reached the longest consecutive audit period specified in the Administrative Measures and the Circular. Therefore, the Company is required to change the accounting firm in 2023.

Upon review by the Audit Committee of the Board of the Company and consideration by the Board of the Company, the Company intends to engage Grant Thornton (Special General Partnership) as the accounting firm of the Company for 2023 for a term of one year, with a total audit fee of RMB5.1 million for 2023.

The Company has communicated with Daxin on the change of accounting firm and has been advised that it has no disagreement with the change. The Company has confirmed with Daxin that there is no disagreement between it and the Company, nor are there any matters related to its retirement that need to be brought to the attention of the Shareholders of the Company.

SPECIAL RESOLUTION

The Issuance of the Onshore and Offshore Debt Financing Instruments

A special resolution will be proposed in the AGM to approve the issuance of the Onshore and Offshore Debt Financing Instruments.

In order to expand current financing sources, strengthen the financing capacity and lower the financing costs of the Company, the Company has continuously enacted relevant financing plans in accordance with its needs of funds and actual conditions. The financing plans include:

- (1) The issuance of onshore RMB debt financing instruments by one or multiple issuances or by multiple tranches (the “**RMB Debt Financing Instruments**”), including but not limited to the RMB corporate debt and other RMB debt financing instruments of the Company which have been registered, approved

LETTER FROM THE BOARD

by or filed with the CSRC, the National Association of Financial Market Institutional Investors and other relevant authorities according to the relevant regulations;

- (2) The issuance of offshore debt financing instruments by one or multiple issuances or by multiple tranches (the “**Offshore Debt Financing Instruments**”), including but not limited to dollars, offshore RMB or other foreign currency bonds (including the dollar subordinated bonds) and the establishment of the plan for the continuous issuance of medium-term notes, as well as foreign currency bills (including but not limited to commercial notes).

(The aforementioned “**RMB Debt Financing Instruments**” and “**Offshore Debt Financing Instruments**” are collectively referred to as “**Onshore and Offshore Corporate Debt Financing Instruments**”, including financing instruments that are included in equity.)

In order to capture the positive market conditions, the Company is hereby applying for the issuance of the Onshore and Offshore Corporate Debt Financing Instruments. Details of the General Mandates are as follows:

(a) *Issuing Entity, Size of Issuance and Method of Issuance*

The Company will be the issuing entity of the issuance of RMB Debt Financing Instruments. The RMB Debt Financing Instruments that will be registered, approved by or filed with the CSRC, the National Association of Financial Market Institutional Investors and other relevant authorities in accordance with the relevant regulations will be issued on an one-off or multiple issuance or multi-tranche issuance basis through public offering in the PRC or through placements to qualified investors in accordance with the CSRC, the National Association of Financial Market Institutional Investors and other relevant authorities’ relevant regulations.

The Company or its wholly-owned offshore subsidiary(ies) will act as the issuing entity(ies) of the issuance of Offshore Debt Financing Instruments. The Offshore Debt Financing Instruments will be issued on an one-off or multiple issuance or multi-tranche issuance basis through public offering or private placements outside the PRC.

The size of the Onshore and Offshore Corporate Debt Financing Instruments will be in aggregate no more than RMB10 billion (inclusive, calculated based on the balance outstanding upon the issuance and, in the case of an instrument denominated in a foreign currency, based on the median rate of the exchange rates published by The People’s Bank of China on the date of the issuance), and shall be in compliance with the requirements prescribed in the relevant laws and regulations on the maximum amount of the issuance of debt financing instruments. Of which, the balance of debt and equity financing instruments issued on the National Association of Financial Market

LETTER FROM THE BOARD

Institutional Investors, the SSE and the Stock Exchange on 31 December 2023 shall not exceed RMB5 billion.

It is proposed to authorize the chairman of the Company or other person(s) delegated by the chairman to determine the issuing entity, the size of issue, the tranches, the currency and the method of the issuance specifically at each time in accordance with the relevant laws and regulations and the advice and recommendations from the regulatory authorities, the Company's needs of the funds and the then prevailing market conditions in the principle of maximizing the interest of the Company at its sole discretion within the aforementioned scope.

(b) Types of Debt Financing Instruments

The RMB Debt Financing Instruments will include (as the case may be) ordinary bonds, non-public placement debt, short-term bills, medium-term notes, renewable corporate bonds, perpetual bonds, asset-backed securities and other types which can be issued as permitted by the regulatory authorities.

The Offshore Debt Financing Instruments will include (as the case may be) bonds and other types.

It is proposed to authorize the chairman or other person(s) delegated by the chairman to determine the types of the Onshore and Offshore Corporate Debt Financing Instruments and the specific priorities for repayment of creditors in accordance with the relevant regulations and the then prevailing market conditions at the time of issuance.

(c) Term of Debt Financing Instruments

The term of the Onshore and Offshore Corporate Debt Financing Instruments shall be no longer than 10 years (inclusive) with a single term or hybrid type of multiple terms. It is proposed to authorize the chairman or other person(s) delegated by the chairman to determine the composition of specific term and the size of each term and type in accordance with the relevant regulations and the then prevailing market conditions at the time of issuance.

(d) Interest Rate of Debt Financing Instruments

It is proposed to authorize the chairman or other person(s) delegated by the chairman and the lead underwriter (if any) to determine the interest rate of the Onshore and Offshore Corporate Debt Financing Instruments to be issued as well as the method of calculation and payment thereof in accordance with the then prevailing domestic market conditions and the relevant regulations in respect of the administration on the interest rate of the debt financing instruments (at the time of issuance of the RMB Debt Financing

LETTER FROM THE BOARD

Instruments) and in accordance with the then prevailing overseas market conditions (at the time of issuance of the Offshore Debt Financing Instruments).

(e) Guarantee and Other Arrangements

It is proposed to authorize the chairman or other person(s) delegated by the chairman to determine the guarantee arrangement for the Onshore and Offshore Corporate Debt Financing Instruments in accordance with the laws. In accordance with the structure of each issuance, the Company or its qualified wholly-owned subsidiary(ies) will be the issuing entity(ies) of the debt financing instruments to be issued, on the basis of, including but not limited to, credit enhancement arrangements such as a guarantee or the provision of a letter of support and/or a keep-well agreement to be issued by the Company, its wholly-owned subsidiary(ies) and/or third party(ies). It is proposed to authorize the chairman or other person(s) delegated by the chairman to determine specific credit enhancement arrangements such as the provision of guarantee or the issuance of a letter of support and/or keep-well agreement in accordance with the structure of each issuance.

(f) Use of Proceeds

The proceeds to be raised from the issuance of the Onshore and Offshore Corporate Debt Financing Instruments will be used to meet the business operation needs of the Company, adjust the debt structure of the Company, supplement the current capital of the Company and/or project investment, etc. It is proposed to authorize the chairman or other person(s) delegated by the chairman to determine the specific use of proceeds in accordance with the Company's needs of the funds.

(g) Issuing Price

It is proposed to authorize the chairman or other person(s) delegated by the chairman to determine the issuing price of the Onshore and Offshore Corporate Debt Financing Instruments in accordance with the prevailing market conditions at the time of each issuance and the relevant laws and regulations.

(h) Targets of Issue and Arrangements of Distribution to Shareholders of the Company

The targets of the Onshore and Offshore Corporate Debt Financing Instruments shall be the onshore and offshore investors who meet the conditions for subscription.

LETTER FROM THE BOARD

(i) *Listing of the Debt Financing Instruments*

It is proposed to authorize the chairman or other person(s) delegated by the chairman to determine the relevant matters involved in the application for the listing of the Onshore and Offshore Corporate Debt Financing Instruments in accordance with the actual conditions of the Company and the prevailing conditions of the domestic and overseas markets.

(j) *Validity Period of the Resolutions*

The validity period of the general meeting resolutions for the issuance of the Onshore and Offshore Corporate Debt Financing Instruments shall be 12 months from the date of approval by the general meeting.

Where the Company had, during the validity period of the authorization, decided the issuance or partial issuance of the relevant Onshore and Offshore Corporate Debt Financing Instruments, and provided that the Company had also, during the validity period of the authorization, obtained the approval, license, filing or registration from the regulatory authorities on the issuance (if applicable), the Company may, during the validity period of relevant approval, license, filing or registration/confirmation, complete the issuance or relevant partial issuance of the Onshore and Offshore Corporate Debt Financing Instruments.

(k) *Authorization for the Issuance of the Onshore and Offshore Corporate Debt Financing Instruments*

To effectively coordinate the issuance of the Onshore and Offshore Corporate Debt Financing Instruments and specific matters in the issuance processes, it is proposed to authorize the chairman or other person(s) delegated by the chairman to exercise its full power to deal with all matters in connection with the issuance of the Onshore and Offshore Corporate Debt Financing Instruments in accordance with the relevant laws, regulations and opinions and advices from the regulatory authorities, within the framework and in the principles approved at the general meeting, and based upon the principle of acting in the best interest of the Company, including but not limited to:

- (i) formation and adjustment of specific plans for the issuance of the Onshore and Offshore Corporate Debt Financing Instruments in accordance with the applicable laws, regulations and relevant provisions from the regulatory authorities as well as resolutions passed at the general meeting, and based on the actual conditions of the Company and the relevant debt markets, including, without limitation to, the suitable issuing entity(ies), timing of issuance, specific amount and method of issuance, terms of issuance, target of issuance and duration, whether to issue on an one-off, multiple

LETTER FROM THE BOARD

issuance, multi-tranche issuance or multiple-category issuance basis and, if on multiple issuances, multi-tranche issuance or multiple-category issuance basis, arrangements on the size and term of each issuance, tranche and category thereof, the ways in which the nominal value and interest rate are determined, currency (including offshore RMB), pricing method, issuance arrangements, letter of guarantee, letter of support or keep-well agreement arrangement, rating arrangement, specific methods of subscription, whether to incorporate terms of repurchase or redemption, specific placement arrangement, use of proceeds, registration, listing of Onshore and Offshore Corporate Debt Financing Instruments and place of listing, measures to mitigate repayment risks, measures to ensure debt repayment, etc. and all the matters relating to the issuance of the Onshore and Offshore Corporate Debt Financing Instruments;

- (ii) determining and engaging intermediary agency, signing, executing, amending and completing all agreements and documents relating to the issuance of the Onshore and Offshore Corporate Debt Financing Instruments, including but not limited to, underwriting agreement, guarantee agreement, letter of support or keep-well agreement, bond indenture, engagement letter with intermediary agency, trust management agreement, liquidation management agreement, registration and custody agreement, listing agreement and other legal documents, etc., and disclosing the relevant information in accordance with the relevant laws, regulations and the listing rules of the exchanges on which the Company's securities are listed (including but not limited to the preliminary and final offering memoranda of the debt financing instruments, and all the announcements and circulars, etc., in relation to the issuance of the Onshore and Offshore Corporate Debt Financing Instruments);
- (iii) selecting and engaging trustee(s) and clearance manager(s) for the issuance of the Onshore and Offshore Corporate Debt Financing Instruments, signing the trustee management agreement(s) and clearance management agreement(s) and formulating rules for meetings of the holders of the debt financing instruments (if applicable);
- (iv) undertaking all applications and filings as well as listing matters with regard to the issuance of the Onshore and Offshore Corporate Debt Financing Instruments, including but not limited to preparing, revising and submitting relevant applications and filings of materials relating to the issuance and listings of the Onshore and Offshore Corporate Debt Financing Instruments, any guarantee, letter of support or keep-well agreement to be provided by the Company, the issuing entity(ies) and/or third

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party(ies), and signing the relevant applications and filing documents and other legal documents in accordance with the requirements of relevant regulatory departments;

- (v) making relevant adjustments to matters relating to the issuance of the Onshore and Offshore Corporate Debt Financing Instruments according to changes in the opinions of regulatory authorities and the policies or the changes in market conditions, or determining whether to continue with all or part of the work in respect of the issuance of Onshore and Offshore Corporate Debt Financing Instruments in accordance with the actual situation, unless re-approval at general meeting is otherwise required pursuant to the relevant laws, regulations and the Articles;
- (vi) dealing with the other matters in relation to the issuance of the Onshore and Offshore Corporate Debt Financing Instruments.

AGM

The AGM will be held at Conference Room 312 of China Aluminum International Engineering Corporation Limited, Building C, No. 99 Xingshikou Road, Haidian District, Beijing at 9:30 a.m. on Wednesday, 28 June 2023. The Notice of the AGM is set out on pages 36 to 38 of this circular.

In order to determine the Shareholders entitled to attend the AGM to be convened on Wednesday, 28 June 2023, the register of members will be closed from Friday, 23 June 2023 to Wednesday, 28 June 2023, both days inclusive, during which time no transfer of the Company's Shares will be registered. In order to qualify to attend and vote at the AGM, the holders of H Shares of the Company shall lodge relevant share transfer documents with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Wednesday, 21 June 2023.

VOTING BY POLL AT AGM

Pursuant to Rule 13.39(4) of the Hong Kong Listing Rules, all votes of the Shareholders at the AGM must be taken by poll. The chairman of the AGM will therefore demand a poll for the above resolutions pursuant to the Articles.

On a poll, every Shareholder presents in person or by proxy or (being a corporation) by its duly authorized representative shall have one vote for each Share registered in his/her/its name in the register of members. A Shareholder entitled to more than one vote needs not use all his/her/its votes or cast all the votes he/she uses in the same manner.

LETTER FROM THE BOARD

RECOMMENDATION

The Board considers that the above resolutions are in the best interests of the Company and its Shareholders. The Board therefore recommends the Shareholders to vote in favor of the resolutions as set out in the Notice of AGM and to be proposed at the AGM.

By order of the Board
China Aluminum International Engineering Corporation Limited
LI Yihua
Chairman

Beijing, the PRC, 12 June 2023

CHINA ALUMINUM INTERNATIONAL ENGINEERING CORPORATION LIMITED

BOARD OF DIRECTORS' WORK REPORT FOR 2022

In 2022, Guided by Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era, the Board of China Aluminum International Engineering Corporation Limited (the "Company") fully performed the functions, powers and obligations conferred by the Company Law and the Articles of Association. Focusing on the responsibility positioning of "formulating strategies, making decisions and preventing risks", the Company strengthened the construction of the Board, effectively played the role of the Board in governance enhancement, strategic guidance, decision control and risk prevention, and determined the operational and working ideas of "stabilising operation, minimising risks, promoting transformation and strengthening reform". In 2022, the Company achieved a turnaround from loss to profit, and continued to promote its high-quality development of substance.

I. PERFORMANCE OF DUTIES BY THE BOARD IN 2022

(I) Continued to Improve Strategic Planning

- 1. Studied and improved the development plan.** The Board focused on the key issues of the long-term development of the Company, studied, discussed and guided the development planning for the "14th Five-Year Plan", clarified the Company's focus on the main responsibility and main business, implemented the development plan of "technology + international", implemented the business structure of "One Main, One Special and One Expansion"¹, striving to build the Company into a world-class modern new industrial service conglomerate that provides technology, service, equipment and product comprehensive solutions. The Company continued to expand its products and services by drawing upon its technology and capabilities. In addition, the Company adjusted its market layout and focused on the existing markets and overseas markets of the non-ferrous and advantageous industrial sectors.

¹ "One Main": the Company will focus on strengthening its the non-ferrous and industrial main businesses, consolidate the core position of its main business in the Company and continuously increase its market share to provide strong support for corporate growth. "One Special": the Company will endeavor to achieve professional development by optimizing its special business, aiming to develop unique competitiveness, develop competitive advantages in specific fields and consolidate market-oriented leading advantages in traditional non-ferrous industry by focusing on technological innovation. "One Expansion": the Company will expand new increments of business development, and procure its member enterprises to achieve transformation and development in various fields including new infrastructure, new energy and the transformation of new scientific and technological achievements while focusing on the diversification of their main business and capitalizing on their unique advantages.

2. **Building a closed-loop management of planning execution.** The Board Guided the Company to revise the Administrative Measures for Development Planning of China Aluminum International Engineering Corporation Limited and establish a closed-loop management system of “plan formulation, process control, implementation feedback, performance evaluation, and target correction”. The Board proposed and convened an inquiry meeting regarding strategic discussion and development planning, heard the management’s analysis report on the implementation of the plan and the improvement measures thereof, and put forward constructive opinions for the high-quality development of the Company.

(II) Strengthened the Construction of the Board

1. **Achieved the smooth and stable re-election of the Board.** In accordance with the relevant requirements of the Company Law, the Articles of Association and the Board diversity policy, the Board completed its re-election in April 2022. The new session of the Board consists of 9 members, including 6 external Directors and 3 internal Directors, with the number of external Directors accounting for approximately 67%. The smooth handover from former Directors to current Directors ensured the smooth operation of the Board.

2. **Provided decision-making assurance for Directors to perform their duties.** The Board further strengthened the communication before meetings are convened, and organised the Directors of the Company to conduct in-depth discussion on some key issues in advance through various means including holding special communication meetings, so as to ensure a more sufficient demonstration of key issues and a more in-depth risk analysis. In 2022, a total of 6 special communication meetings were held to consider, amongst others, major disposals of assets, daily related-party transactions and capital operation. All independent Directors of the Company performed their duties diligently, actively participated in the decision-making of the Board, expressed independent and objective opinions, and earnestly safeguarded the overall interests of the Company and the legitimate rights and interests of its minority Shareholders. They expressed prior approval opinions on six matters, namely the related-party guarantee, the re-appointment of auditors, the acquisition of Kunming Institute, the re-signing of the Engineering Services Master Agreement, the re-signing of the General Sale and Purchase Agreement of Commodities and re-signing of the Master Agreement of General Services. They also expressed independent opinions on 27 matters, including external guarantees, the profit distribution plan, the re-appointment of auditors, the material asset restructuring and the renewal of continuing related-party (connected) transaction agreements.

3. **Gave full play to the role of the special committees of the Board.** The Strategy Committee, the Risk Management Committee, the Audit Committee, the Remuneration Committee and the Nomination Committee of the Board of the Company actively provided opinions for the decision-making of the Board through careful study and deliberation of professional issues. In 2022, the Strategy Committee, the Risk Management Committee, the Audit Committee, the Remuneration Committee and the Nomination Committee held 4 meetings, 2 meetings, 6 meetings, 4 meetings and 2 meetings, respectively.

4. **Strengthened the implementation of resolutions.** The mechanism for supervising the implementation of resolutions of the Board has been established, under which the implementation progress of resolutions of the Board is summarised on a monthly basis and reported to the Board through Directors' Newsletter. In 2022, the Board held a total of 12 meetings, at which 96 proposals were considered and approved and 96 resolutions were passed. As of the end of 2022, 72 resolutions had been concluded, and 24 resolutions were still in normal implementation.

(III) Effectively Enhanced the Risk Prevention and Control Capability of the Board

1. **Improved the comprehensive risk management system.** The Board thoroughly implemented various requirements of SASAC on strengthening risk management, closely focused on the Company's business development objectives and guided the management to formulate special indicators for risk monitoring, thereby gradually developing a comprehensive risk management system and operation mechanism with the Company's characteristics. Focusing on the characteristics of the Company's business risks, the Board organised the management of the Company to identify and evaluate the top five risks in 2022, namely personnel health risk (COVID-19 risk), market change and market competition risk, debt risk, cash flow risk and operating efficiency risk, and required the management to formulate major risk management and control plans for the top five risks, clarify the leading departments and responsible persons for each of these risk, and formulate risk response measures thereof.

2. **Gave full play to the role of supervision and management.** The Board heard the special risk reports of the management and external auditors on risk control, internal control, financial management, related-party transactions, "receivables/inventory" management as well as legal litigation and disputes, and required the management to make every effort to reduce the amount of "receivables/inventory" and improve the strong incentive and restraint mechanism for the collection of "receivables/inventory". The Board also strengthened the management of litigation cases, reduced inventory, exercised control over the increment, and improved the efficiency of audit supervision.

(IV) Strengthened the Management of Matters Authorised by the Board

Under the principle of “standardised decision-making, reasonable authorisation, scientific and efficient implementation, and unified rights and responsibilities”, the Board has formulated the Administrative Measures for Authorisation by the Board of Directors of China Aluminum International Engineering Corporation Limited and the Implementation Rules for Dynamic Adjustment to the Tracking and Supervision on Authorisation by the Board of Directors of China Aluminum International Engineering Corporation Limited. The Board granted the management the decision-making rights for 62 issues in 18 categories, and established a closed-loop management mechanism for compliance authorisation, tracking supervision and dynamic adjustment to the Board to the management, which has improved the efficiency of decision-making of the Board and guaranteed the quality of decision-making for authorised matters. In 2022, the presidents held 41 meetings to consider and approve 94 matters authorised by the Board. As of the end of 2022, 88 resolutions had been concluded and 6 resolutions were still in normal implementation. The Board heard the special report by managers on the Board’s performance of duties in respect of authorisation in 2022, and issued an evaluation report on the managers’ exercise of powers.

(V) Convened General Meetings According to Law and Strictly Implemented Resolutions of General Meetings

The Board submitted relevant matters to the general meetings for consideration actively in strict accordance with the Company Law, the Code of Corporate Governance for Listed Companies and the Articles of Association. A total of 3 general meetings were convened and held throughout the year, and 35 proposals were considered and approved. The Board strictly complied with the resolutions and authorisations of the general meetings, faithfully implemented the resolutions approved by the general meetings, elected independent Directors and non-independent Directors of the fourth session of the Board, elected shareholder representative Supervisors of the fourth session of the Board of Supervisors, and completed the re-election of the members of the Board and the Board of Supervisors. The Board has supervised and made good efforts to the implementation of the capital expenditure plan for 2022, engaged WUYIGE Certified Public Accountants LLP as the audit firm of the Company for 2022. The Board also made amendments to the Articles of Association and the Rules of Procedures for the Board of Directors, completed the signing of the Engineering Services Master Agreement, the General Sale and Purchase Agreement of Commodities and the Master Agreement of General Services with Chinalco, and completed major asset disposal projects, etc.

II. OPERATION OF THE COMPANY IN 2022

As of the end of 2022, the Company's total assets amounted to RMB47.391 billion, total liabilities were RMB36.936 billion, and the asset-liability ratio was 77.94%. In 2022, the operating revenue amounted to RMB23.697 billion, the total profit amounted to RMB285 million, and the net profit attributable to shareholders of the listed company amounted to RMB113 million.

(I) Clarified the Concept of Development and Laid a Solid Foundation for High-quality Development

In 2022, the Company insisted on "stabilising operations" and achieved positive net profit for the current period. As for "minimising risks", the Company strived to eliminate risks by reducing the "accounts receivable and inventory", address the existing litigation cases and exercise control over the increase in litigation cases, with no new major risk events occurring throughout the year. As for "promoting transformation", the business model of all subsidiaries of "One Main, One Special and One Expansion" is constructing a new business layout, creating new profit growth drivers, with a significantly optimised income structure. As for "strengthening reform", the Company has fully implemented the three-year action plan for reform on state-owned enterprises, further promoted the tenure system and contractual management of enterprises, steadily promoted the reform task of "demonstration action for science and technology reform" of CINF, CNPT and Kunming Institute, and stimulated the motivation and vitality of its enterprises.

The Company won 177 quality awards at provincial and ministerial level or above for the whole year, including 5 national quality awards, hitting a record high. The Shenhua Green Hydropower and Aluminum Integration Project (神火綠色水電鋁材一體化項目), launched by GAMI and Sixth Metallurgical Company Yunnan Branch, won the National Quality Project Gold Award (國家優質工程金獎). Chalco's overseas bauxite projects in Guinea, launched by Sixth Metallurgical Company, CINF and Twelfth Metallurgical Company, won the National Quality Project Award (國家優質工程獎). The Beijing Universal Studios Theme Park Project (北京環球影城主題公園項目), launched by Sixth Metallurgical Company, won the China Construction Engineering Luban Prize (中國建設工程魯班獎). The Inner Mongolia Montadalat Aluminum Strip Project (內蒙古蒙泰達拉特鋁板帶項目), launched by SAMI, won the National Quality Project Award. Xinjiang Xinhua Bookstore Project (新疆新華書店工程), launched by Ninth Metallurgical Company, was awarded the China Steel Structure Gold Award (中國鋼結構金獎).

(II) Full efforts to Expand the Market and Gradually Improve the Quality of Contracts

The Company strengthened the overall management of marketing, paid close attention to the quality of contracts, improved the conversion rate of contracts, significantly increased the proportion of valid contracts, and optimised the overall market development structure. The design and consulting contracts of CINF and GAMI doubled year-on-year. The Ninth Metallurgical Company signed contracts for metallurgical, coking, logistics, steel structure and other featured businesses of more than RMB2.5 billion. The newly signed contract of Changkan Institute was among the top ten in the field of ecological restoration of mines in China.

The Company continued to increase investment in overseas market resources, reconstructed the development pattern of its overseas markets, and initially developed an overseas marketing system in which the headquarters are regarded as the centre, overseas marketing institutions coordinate regional market development and advantageous member enterprises are responsible for specific implementation. The Company aggressively explored markets in Indonesia, Africa, South America and the pan-Russian region.

(III) Strengthened the Leading Role of Science and Technology, with Scientific Research Results Constantly Emerging

The Company highlighted the positioning of high-quality development led by science and technology, increased investment in research and development, and ensured the output of major projects. The Company actively participated in national science and technology projects, and secured 3 new national key research and development projects and 13 other major government special projects. In addition, the Company held its first scientific and technological innovation conference.

The national innovation platform achieved major breakthroughs. CINF became the one and the only design and research unit in China which had been awarded the "National Demonstrative Enterprise of Technology Innovation (國家技術創新示範企業)" in 2022. SAMI, CINF and Kunming Survey and Design Institute were recognised as National Enterprise Technology Centre, and SAMI and Kunming Survey and Design Institute were approved to establish a national post-doctoral research station. At present, the Company has a total of 13 national innovation platforms, 25 provincial innovation platforms and 1 provincial key laboratory.

A number of major scientific and technological achievements have been implemented. 13 scientific and technological achievements have passed the technological achievements evaluation by industry associations and other organisations, all of which have reached the international advanced level, and 10 of which have reached the international leading level. The Company won 22 provincial and ministerial science and technology awards, including 9 first prizes. During the year, more than 300 patents were granted at home and abroad, 16 new technical standards were established, and more than 40 departmental-level construction methods were newly obtained.

Empowered by digital intelligence and information technology, the Company accelerated the development of digital delivery technology application for survey and design enterprises, continuously promoted the digital transformation of major scientific research projects, signed a number of digital delivery design projects, and achieved more than RMB200 million through delivery of digital intelligence services. The construction enterprises fully leveraged the additional effects of BIM technology in cost, quality and progress control to realise the digitisation and refinement of construction project management and control. The Company coordinated the technical management information system for construction projects, established a management and control platform integrating both business and finance, and successfully launched the project management information system for the Sixth Metallurgical Company.

(IV) Tightened Cost Control and Steadily Improved Operational Quality

In accordance with the overall requirements of refined cost control, the Company formulated its work plan to improve the gross profit margin in 2022, and clarified that the core of project management is the cost management throughout the project implementation process. The Company established a three-tiered cost management system, paid close attention to project cost planning, focused on closed-loop cost management of projects under construction, strengthened the preparation of the cost management roadmap for new projects and the implementation of cost reduction plans. As a result, the contract signing rate, the risk mortgage payment rate and the project cost planning rate of the two-way projects basically achieved 100%, and the quality of project cost management continued to improve.

III. KEY TASKS OF THE BOARD FOR 2023

In 2023, the Board of the Company will, based on its own functional positioning, promote the Company to continue to focus on its main responsibilities and principal businesses, take in-depth reform as its main line, deeply implement the spirit of the 20th National Congress of the Party, firmly adhere to the “technology + international” development strategy, insist on the problem-oriented approach, stick to work benefits, efficiency and effectiveness, cultivate incremental growth through transformation and upgrading, deepen reform to reduce loss and solve problems, empower development through scientific and technological innovation, deepen reform, improve capabilities, motivation and vitality, vigorously promote the stable operation of the Company, promote transformation, reduce risks and strengthen reform. The Company will also focus on value creation and fully promote the high-quality development of the Company, thus striving to build a world-class modern new industrial service enterprise that provides technology, service, equipment and product comprehensive solutions.

(I) To Comprehensively and Deeply Promote the High-quality Development of the Company

The Board will resolutely implement the spirit of the Central Economic Work Conference, adhere to the general tone of seeking progress while maintaining stability, endeavour to promote the high-quality development of the Company and focus on the following tasks:

Firstly, the Company will firmly implement the strategic plan of “technology + international”. Relying on its technology and management capabilities to effectively participate in competition, the Company will deeply cultivate the existing markets and overseas markets of nonferrous and advantageous industries.

Secondly, the Company will fully return to the essential requirements of corporate profitability. The Company will strengthen the business management philosophy of all levels and the big business management, and will carry out work by focusing on net cash profit and value creation.

Thirdly, the Company will achieve sustainable and sound development. Guarantee stable income, The Company will ensure stable revenue, contracts and net cash profit for the years ahead, and achieve steady progress in all of its operating businesses year by year.

Fourthly, the Company will cultivate and consolidate its core competence and comprehensive competitiveness, and rely on its own competitive edges to survive and develop in the fierce market competition.

Fifthly, the Company will ensure pragmatism and efficiency, highlight “benefit, effectiveness and efficiency”, and taking the final results as the main assessment standards for work.

Sixthly, the Company will realise effective “sharing” of all parties, and will achieve the sharing of success and the win-win situation among employees, enterprises, shareholders and other stakeholders.

(II) To Increase Efforts to Achieve the Production and Operation Targets for the Current Period

The Board will guide and promote the Company to unswervingly stabilise growth and take effective measures to achieve steady progress in operation.

Firstly, the Company will implement the “Four Ones” for its management efforts, namely: one orientation, meaning that all work shall be carried out in pursuit of sustainable net cash profit; one fundamental, meaning that the Company will, driven by technological innovation, secure adequate contracts and orders in the market on an ongoing basis; one key, meaning that the Company will strengthen management to achieve competitive project whole-process management and project cost control, and will provide high-quality services and products recognised by the market; and one “hard constraint”, which is imposed on the scale of “receivables/inventory” and interest-bearing financing.

Secondly, the Company will implement the “Four Measures” for its operation, namely, meticulous operation, refined management, lean organisation and precise implementation.

Thirdly, the Company will emphasize the “Four Approaches” for its project management, namely, commercialised and market-oriented, specialised and legalised.

Fourthly, the Company will strengthen the four business chains, namely market exploration (i.e. securing projects), project management (i.e. implementing projects), project operation (i.e. generating revenue), cash management (i.e. collecting receivables).

(III) To Step up Efforts to Promote the Transformation and Upgrading of the Company

The Board will further give play to its strategic leading role, guide and urge the Company to unswervingly draw upon the advantages of scientific and technological innovation, and optimise and adjust the structure, thus developing new profit models and new development increments.

Firstly, to strengthen technological innovation. The Company will take technological innovation as a breakthrough point for high-quality development, continue to improve the technological innovation system, strengthen the construction of technological innovation capabilities, promote the construction of scientific and technological talent teams, strengthen the coordination of scientific research projects, increase the industrialization of technological achievements, attach importance to the protection of intellectual property rights, and establish a virtuous cycle of research and development input and output.

Secondly, to effectively optimize the structure. The Company will optimise its business structure, optimise its design and survey business, strengthen its technology-oriented medium and high-end equipment products, and refine its construction business. The Company will also carry out professional integration in due course, and sharpen the competitive edges of its three major construction enterprises. The Company will optimise the income structure, increase income from design and survey, strengthen its mid-to high-end equipment products, and not conduct high-risk businesses mainly driven by qualifications, capital or credit. The Company's survey and design enterprises will no longer carry out general contracting business for municipal and civil construction, and secure sizeable quality projects. The Company will optimise its organisational structure, continue to carry out the corporate governance over non-principal business, non-dominant business, inefficient assets, invalid assets and joint-stock enterprises, reasonably streamline its branch and sub-branch companies, and reduce unnecessary management agencies, endeavouring to effectively improve the production efficiency of its workforce.

Thirdly, to innovative development model. The Company will promote the transformation of design enterprises to the “123 + N” model as well as the development of construction enterprises to the “specialized and sophisticated” model. “1” refers to one positioning, meaning that the Company will focus on nonferrous and advantageous industrial sectors, and strive to build a world-class modern new industrial service enterprise that provides comprehensive solutions for technology, service, equipment and products. The Company will expand its products and services based on technology and capabilities. “2” refers to two markets, namely, to focus on the existing market and the overseas market in the non-ferrous industry and the advantageous industrial sectors. “3” means to focus on three areas, namely, the technical services covering the whole life cycle, the technical services plus mid- to high-end equipment and products, and the implementation of a number of investment, financing, construction and operation projects in the non-ferrous industry and industrial field with technology as the core, in an effort to create a new and sustainable profit model. “N” refers to N types of technological services and products, focusing on various types of industrial services with technology as the contents and various types of service products of the big industry, with technology as the core in the fields of energy conservation, environmental protection, new energy and new infrastructure. Construction enterprises are developing towards the main directions of refinement and optimisation while focusing on management capability and technological competence, striving for the transformation of “professional”, “capable”, “characteristic” and “emerging fields” of construction projects.

(IV) To Achieve Effective Risk Management and Control in Full Compliance with Laws and Regulations

The Board will adhere to the guidance of Xi Jinping thought on the rule of law, promote the Company to adhere to law-based corporate governance, strengthen compliance management, enhance risk awareness, improve risk prevention and control capabilities, effectively resolve existing risks, and hold the bottom line of zero major risks.

Firstly, to exercise strict control over new major risks. The Company will improve its organisational system of comprehensive risk management and risk monitoring indicator system, improve its comprehensive risk management and control mechanism, strengthen its collection and research of risk information, strengthen risk assessment, and strictly adhere to the bottom line of zero new major risks.

Secondly, to minimise existing risks. The Company will spare no efforts to reduce the existing “receivables/inventory”, implement list-based management for the receivables/inventory, and collect receivables with large balance and long ageing on a case-by-case basis. The Company will strengthen the management and control of contract assets, implement special governance for projects that are suspended or delayed and those that are completed without settlement, and accelerated the confirmation of settlement rights.

(V) To Comprehensively Deepen Market-oriented Reform

The Board will urge the Company to consolidate the action achievements made from state-owned enterprise reform over the past three years. In 2023, the Company will focus on deepening market-oriented reform and strengthening its capabilities, motivation and vitality construction.

Firstly, to strengthen capacity building. The Company will continue to improve its basic management capability, cost competitiveness, technical efficiency, management cost reduction capability and value preservation and appreciation capability, and will further enhance its core competence.

Secondly, to strengthen motivation building. The Company will make every effort to achieve “Four Cans”, namely, personnel can be employed or removed, income can be increased or reduced, leaders can be promoted or demoted, and institutions can be increased and reduced. The Company will establish a “business partner” mechanism to realise the common development and sharing of achievements and risks between employees and the Company. The Company will establish a “commando team” model for special and innovation teams in certain fields to resolve key and challenging issues. The Company will also establish and improve the market-oriented evaluation, assessment and distribution mechanisms suitable for the actual conditions of the Company to stimulate internal motivation.

Thirdly, to strengthen vitality building. The Company will fully activate the vitality of various production factors, strengthen the internal coordination of the Company, revitalise its existing assets, rationalise the relationship and operation mechanism among various factors, improve the relationship of power and responsibility between each assessment subject, strengthen its consolidation with specialization, and effectively adjust its business structure, income structure and organisational structure.

CHINA ALUMINUM INTERNATIONAL ENGINEERING CORPORATION LIMITED BOARD OF SUPERVISORS' WORK REPORT FOR 2022

In 2022, in accordance with the relevant national laws and regulations, regulatory requirements and the relevant provisions of the Articles of Association and the Rules of Procedure for the Board of Supervisors, and based on the principles of compliance with the law, objectivity and fairness, science and effectiveness, the Board of Supervisors of the Company closely integrated with the work plan, made active exploration in improving the corporate governance system, innovative supervision methods and enhancing the quality and effectiveness of supervision, conscientiously performed the duties of the Board of Supervisors, and practically safeguarded the legitimate rights and interests of the Company, its shareholders and employees. The major work of the Board of Supervisors in 2022 is reported as follows:

I. RE-ELECTION OF THE BOARD OF SUPERVISORS

In 2022, the Company promoted the selection and election of the members of the new session of Board of Supervisors in accordance with the procedures, laws and regulations to ensure a smooth transition and efficient operation of the Board of Supervisors of the Company. Currently, the fourth session of the Board of Supervisors of the Company comprises three supervisors, namely Mr. FAN Guangsheng, chairman of the Board of Supervisors, Mr. HE Wenjian, supervisor, and Ms. LIN Ni, supervisor.

II. MAJOR WORK OF THE BOARD OF SUPERVISORS

(I) Insisted on Performing Its Duties in Accordance with the Law and Regulations, and Ensured the Continuous and Effective Operation of Corporate Governance Through High Quality Supervision

In 2022, the Board of Supervisors of the Company held a total of 7 meetings and considered 30 resolutions. The procedures for convening and holding each meeting were in compliance with the provisions of the Company Law, the Articles of Association and the Rules of Procedure for the Board of Supervisors. Details are as follows:

Name of meeting	Convening time	Resolutions considered
25th meeting of the Third Session of the Board of Supervisors	7 March 2022	The Resolution to Nominate the Candidates for Shareholder Representative Supervisors to the Fourth Session of the Board of Supervisors of the Company (關於提名公司第四屆監事會股東代表監事候選人的議案)

Name of meeting	Convening time	Resolutions considered
26th meeting of the Third Session of the Board of Supervisors	28 March 2022	<p>The Resolution to Consider the 2021 Annual Results Announcement and Annual Report of the Company (關於審議公司2021年度業績公告和年度報告的議案)</p> <p>The Resolution to Consider the 2021 Annual Final Accounting Report of the Company (關於審議公司2021年度財務決算報告的議案)</p> <p>The Resolution to Consider 2022 Annual Operational Plan Report of the Company (關於審議公司2022年度經營計劃報告的議案)</p> <p>The Resolution to Consider 2021 Annual Profit Distribution Plan of the Company (關於審議公司2021年度利潤分配方案的議案)</p> <p>The Resolution on the 2021 Annual Impairment Provision of the Company (關於公司2021年度計提資產減值準備的議案)</p> <p>The Resolution to Consider the 2021 Annual Social Responsibility Report of the Company (關於審議公司2021年度社會責任報告的議案)</p> <p>The Resolution to Consider the 2021 Annual Internal Control Evaluation Report of the Company (關於審議公司2021年度內部控制評價報告的議案)</p> <p>The Resolution to Change the Accounting Policies for Government Grants of the Company (關於公司政府補助會計政策變更的議案)</p> <p>The Resolution to Consider the Report on the Work of the Board of Supervisors of the Company for 2021 (關於審議公司2021年度監事會工作報告的議案)</p>
1st meeting of the Fourth Session of the Board of Supervisors	11 April 2022	The Resolution on the Election of the Chairman of the Fourth Session of the Board of Supervisors of the Company (關於選舉公司第四屆監事會主席的議案)
2nd meeting of the Fourth Session of the Board of Supervisors	29 April 2022	The Resolution to Consider the 1Q2022 Report of the Company (關於審議公司2022年第一季度報告的議案)
3rd meeting of the Fourth Session of the Board of Supervisors	8 August 2022	The Resolution to Consider the Interim Report and 2022 Interim Results Announcement of the Company (關於審議公司半年度報告和2022年中期業績公告的議案)

Name of meeting	Convening time	Resolutions considered
4th meeting of the Fourth Session of the Board of Supervisors	24 September 2022	<p>The Resolution Regarding the Company's Compliance with the Conditions for Disposal of Major Assets (關於公司符合重大資產出售條件的議案)</p> <p>The Resolution Regarding the Major Asset Disposal Plan of the Company (關於公司本次重大資產出售方案的議案)</p> <p>The Resolution Regarding the Reorganization Not Constituting a Related Party Transaction (關於本次重組不構成關聯交易的議案)</p> <p>The Resolution Regarding the Report on the Disposal of Material Assets (Draft) of China Aluminum International Engineering Corporation Limited and Its Summary (關於《中鋁國際工程股份有限公司重大資產出售報告書(草案)》及其摘要的議案)</p> <p>The Resolution Regarding the Entering into of the Agreement in Relation to the Reorganization (關於簽訂本次重組相關協議的議案)</p> <p>The Resolution Regarding the Compliance of the Reorganization of the Company with Article 11 of the Administrative Measures for the Material Asset Restructuring of Listed Companies (關於公司本次重組符合《上市公司重大資產重組管理辦法》第十一條規定的議案)</p> <p>The Resolution Regarding the Compliance of the Reorganization of the Company with Article 4 of the Provisions on Issues Concerning Regulating the Material Asset Restructuring of Listed Companies (關於公司本次重組符合《關於規範上市公司重大資產重組若干問題的規定》第四條規定的議案)</p> <p>The Resolution Regarding the Reorganization of the Company Not Constituting a Reorganization and Listing under Article 13 of the Administrative Measures for the Material Asset Restructuring of Listed Companies (關於公司本次重組不構成《上市公司重大資產重組管理辦法》第十三條規定的重組上市的議案)</p> <p>The Resolution Regarding the Completeness and Compliance of the Statutory Procedures and the Validity of the Submission of Legal Documents for the Reorganization (關於本次重組履行法定程序的完備性、合規性及提交法律文件的有效性的議案)</p> <p>The Resolution Regarding the Acquisition and Disposal of Assets by the Company within 12 Months Prior to the Reorganization (關於公司本次重組前12個月內購買、出售資產情況的議案)</p>

Name of meeting	Convening time	Resolutions considered
		<p>The Resolution Regarding the Approval of the Audit Report, Pro Forma Review Report and Appraisal Report in Relation to the Reorganization (關於批准本次重組相關審計報告、備考審閱報告和評估報告的議案)</p> <p>The Resolution Regarding the Pricing Basis as well as Fairness and Reasonableness of the Reorganization (關於本次重組定價依據及公平合理性的議案)</p> <p>The Resolution Regarding the Independence of the Appraisal Agency, the Reasonableness of the Appraisal Assumptions, the Relevance of the Appraisal Methods and Appraisal Purposes and the Fairness of the Appraisal Pricing (關於評估機構的獨立性、評估假設前提的合理性、評估方法與評估目的的相關性及評估定價的公允性的議案)</p> <p>The Resolution Regarding the Fluctuation of the Share Price of the Company (關於公司股票價格波動情況的議案)</p> <p>The Resolution Regarding the Dilution of Current Returns by the Reorganization and the Remedial Measures Adopted by the Company (關於公司本次重組攤薄即期回報情況及公司採取的填補措施的議案)</p> <p>The Resolution Regarding the Company's Reorganization-Related Entities Do Not Fall Within the Circumstances as Stipulated in Article 13 of the Regulatory Guidelines for Listed Companies No. 7 Supervision on Abnormal Trading of Shares Related to Material Asset Restructuring of Listed Companies (關於公司本次重組相關主體不存在《上市公司監管指引第7號—上市公司重大資產重組相關股票異常交易監管》第十三條規定情形的議案)</p>
5th meeting of the Fourth Session of the Board of Supervisors	26 October 2022	The Resolution to Consider the 3Q2022 Report of the Company (關於審議公司2022年第三季度報告的議案)

In addition, members of the Board of Supervisors of the Company were actively present at important meetings of the Company. In 2022, they were present at 10 Board meetings and attended 3 shareholders' meetings, and were also present at the daily important meetings of the Company. The Board of Supervisors of the Company has fully studied and deliberated on major issues relating to the Company's major asset restructuring, financial operations, profit distribution, risk management, internal control and compliance, as well as the re-election of the Board of Supervisors, and has expressed objective opinions and recommendations. When present at the meetings of the Board and senior management as well as attending the shareholders' meetings, the Board of Supervisors supervised the decision-making process of the Board and senior management in the study and discussion of major issues, the convening, holding and voting procedures of the relevant meetings as well as the voting procedures of shareholders and shareholders' representatives to ensure standardised procedures and compliant decisions.

(II) Strengthened the Supervision of Financial, Internal Control and Risk Management, and Enhanced the Quality and Effectiveness of Supervision Through Various Supervision Channels

Firstly, the Board of Supervisors regularly reviewed the annual, semi-annual and quarterly reports, oversaw the preparation and review procedures, legal compliance of content and format of the reports, issued review opinions and made timely disclosure of information. Secondly, the Board of Supervisors followed up and reviewed the Company's monthly operation in a timely manner, so as to fully grasp the financial indicators, marketing situation, completion of production value and progress of matters resolved by the Board. Thirdly, the Board of Supervisors attentively heard the audit and review opinions of external auditors on the annual and half-yearly reports, as well as the objective evaluation of the financial indicators, and reviewed the relevant data of the Company's related-party (connected) transactions during the reporting period. Fourthly, the Board of Supervisors strengthened the supervision of internal control compliance and risk management through multiple channels and means. Effective supervision of the management of internal control compliance and risk prevention was carried out through deliberation of proposals, reading of materials and on-site investigation. Fifthly, the Board of Supervisors made focused comments and recommendations on the above matters and received special reports from the management on matters of concern.

(III) Opened up External Communication Channels to Promote Continuous Improvement in the Performance of Duties

By attending training sessions held by regulatory bodies, the Board of Supervisors further deepened its knowledge and understanding of the theory and practice of corporate governance and the performance of supervisory functions, and enhanced its ability to perform its duties. The Board of Supervisors kept abreast of regulatory requirements and local regulatory developments, helping it to grasp the focus of its supervisory work.

III. PERFORMANCE OF DUTIES BY MEMBERS OF THE BOARD OF SUPERVISORS

In 2022, members of the Board of Supervisors performed their duties faithfully and diligently in accordance with the regulatory requirements and the relevant provisions of the Articles of Association. They attended or were present at shareholders' meetings, board meetings and supervisory meetings in accordance with the regulations; in particular, the attendance rate of the Board of Supervisors was 100%. Members of the Board of Supervisors fully utilised their professional expertise and experience in the fields of economics, auditing, accounting and management, and performed their duties conscientiously and proactively. The members put forward many constructive views and suggestions on the quality development of the Company, and played an important role in improving the corporate governance and supervision mechanism and enhancing the level of supervision and performance of duties for the Board of Supervisors of the Company.

IV. OPINIONS EXPRESSED BY THE BOARD OF SUPERVISORS ON THE RELEVANT SITUATIONS

(I) The Company's Operation in Accordance with the Law

The Board of Supervisors is of the view that the Company operated in accordance with the Company Law and the Articles of Association and the relevant policies and regulations in 2022 and that the decision-making procedures were lawful and effective. The directors and senior management of the Company were diligent and dedicated to their duties and have not been found to have violated any laws, regulations or the Articles of Association or prejudiced the interests of the shareholders of the Company in the performance of their duties.

(II) Financial Information of the Company

During the reporting period, the Board of Supervisors supervised and reviewed the financial position and results of operations of the Company for 2022 and considered that the financial statements of the Company had been prepared in compliance with the relevant provisions of the Accounting System for Business Enterprises and the Accounting Standards for Business Enterprises, etc. and that the financial reports reflected the financial position and results of operations of the Company in a true, objective and accurate manner. The audit opinion in the standard unqualified audit report issued by WUYIGE Certified Public Accountants LLP was objective and fair.

(III) Acquisitions and Disposals of Assets

During the reporting period, the disposals of assets by the Company were conducted in a procedurally sound and fairly priced manner and no detriment to shareholders' interests or the interests of the Company was identified.

(IV) Internal Controls of the Company

During the reporting period, the Board of Supervisors has reviewed the 2022 Annual Internal Control Evaluation Report of China Aluminum International Engineering Corporation Limited and considered that the report reflected the actual situation of the construction, improvement and operation of the internal control system of the Company in a complete, truthful and objective manner.

(V) Fulfilment of Social Responsibilities by the Company

During the reporting period, the Company made outstanding contributions greening and environmental protection, caring for employees and rural revitalisation. The Company actively participated in charitable causes and fulfilled its social responsibilities in a conscientious manner, safeguarding the interests of its shareholders, customers and employees.

(VI) Miscellaneous

During the reporting period, the Board of Supervisors reviewed and supervised the Company's provision for asset impairment and change of accounting policies. The Company's decision-making procedures in relation to the provision for asset impairment and change of accounting policies were in compliance with the relevant laws and regulations and the Articles of Association, and there were no circumstances under which the interests of the Company and its shareholders were prejudiced.

NOTICE OF THE 2022 ANNUAL GENERAL MEETING



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)

NOTICE OF THE 2022 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2022 annual general meeting (the “AGM”) of China Aluminum International Engineering Corporation Limited (the “**Company**”) will be held at Conference Room 312 of China Aluminum International Engineering Corporation Limited, Building C, No. 99 Xingshikou Road, Haidian District, Beijing at 9:30 a.m. on Wednesday, 28 June 2023 for the following purposes.

ORDINARY RESOLUTIONS

To consider the following matters as ordinary resolutions:

1. To consider and approve the Resolution of the Company on the Board of Directors’ work report for 2022;
2. To consider and approve the Resolution of the Company on the Board of Supervisors’ work report for 2022;
3. To consider and approve the Resolution of the Company on the financial report for 2022;
4. To consider and approve the Resolution of the Company on the provision for impairment of assets for 2022;
5. To consider and approve the Resolution of the Company on the profits distribution plan for 2022;
6. To consider and approve the Resolution on the provision of guarantees among holding subsidiaries;
7. To consider and approve the Resolution of the Company on the capital expenditure plan for 2023;

NOTICE OF THE 2022 ANNUAL GENERAL MEETING

8. To consider and approve the Resolution of the Company on the purchase of liability insurance for Directors, Supervisors and senior management;
9. To consider and approve the Resolution of the Company on the remuneration standards of Directors and Supervisors for 2023;
10. To consider and approve the Resolution of the Company on the change of the accounting firm; and

SPECIAL RESOLUTION

To consider the following matter as a special resolution:

11. To consider and approve the Resolution of the Company on the issuance of the Onshore and Offshore Debt Financing Instruments.

By Order of the Board
China Aluminum International Engineering Corporation Limited
LI Yihua
Chairman

Beijing, the PRC, 29 May 2023

Notes:

1. In order to determine the Shareholders entitled to attend the AGM to be convened on Wednesday, 28 June 2023, the register of members will be closed from Friday, 23 June 2023 to Wednesday, 28 June 2023, both days inclusive. In order to be qualified to attend and vote at the AGM, the holders of H Shares of the Company shall lodge relevant share transfer documents with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Wednesday, 21 June 2023.
2. Any Shareholder entitled to attend and vote at the AGM may appoint one or more proxies (whether he/she is a Shareholder) to attend and vote at the AGM on his/her behalf.
3. The form of proxy must be signed by the appointer or his attorney duly authorized in writing or, in case of a legal person, must be either executed under its common seal or under the hand of its Directors or attorney duly authorized.
4. To be valid, the form of proxy must be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for holders of H Shares of the Company) not less than 24 hours prior to the holding of the AGM. If the form of proxy is signed by another person under a power of attorney or other authorization documents given by the appointer, such power of attorney or other authorization documents shall be notarized. The certified copy of the power of attorney or other authorization documents together with the form of proxy shall be deposited at the specified place at the time set out in such form of proxy.

NOTICE OF THE 2022 ANNUAL GENERAL MEETING

5. If the appointer is a legal person, its legal representative or any person authorized by resolutions of the Board or other governing bodies may attend the AGM on behalf of the appointer.
6. The Company has the rights to request a proxy who attends the AGM on behalf of a Shareholder to produce his/her proof of identity.
7. The AGM is expected to take less than half day. Shareholders who attend the AGM shall be responsible for their own travel and accommodation expenses.
8. The address of the Company's head office in the PRC is set out as follows: Building C, No. 99 Xingshikou Road, Haidian District, Beijing, the PRC.

As at the date of this notice, the non-executive directors are Mr. HU Zhenjie and Mr. ZHOU Xinzhe; the executive directors are Mr. LI Yihua , Mr. LIU Jing and Mr. LIU Ruiping; and the independent non-executive directors are Mr. GUI Weihua, Mr. SIU Chi Hung and Mr. TONG Pengfang.