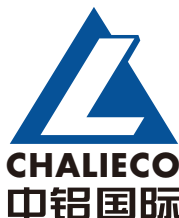


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中鋁國際工程股份有限公司

China Aluminum International Engineering Corporation Limited

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

(Stock Code: 2068)

ANNOUNCEMENT

THE QUARTERLY REPORT OF THE COMPANY FOR THE FIRST QUARTER ENDED 31 March 2019

This announcement is made by China Aluminum International Engineering Corporation Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The operating results attached hereto are prepared by the Company in accordance with the Accounting Standards for Business Enterprises of the PRC.

I. IMPORTANT NOTICE

- 1.1** The board of directors, the supervisory committee, and the directors, supervisors and senior management members of the Company guarantee the truthfulness, accuracy, and completeness of the contents of this quarterly report, and that it contains no false representation or misleading statement, or material omission, and assume several and joint legal liabilities.
- 1.2** All the directors of the Company attended the meeting of the board of directors and reviewed the quarterly report.
- 1.3** WU Jianqiang, person-in-charge of the Company, ZHANG Jian, person-in-charge of accounting operations and ZHANG Xiuyin, person-in-charge of the accounting department (chief accountant) warrant the truthfulness, accuracy and completeness of the financial statements in this quarterly report.
- 1.4** The first quarterly report of the Company has not been audited.

II. BASIC INFORMATION OF THE COMPANY

2.1 Key financial data

Unit: Yuan Currency: RMB

	As at the end of the Reporting Period	As at the end of last year		Increase or decrease as at the end of the reporting period as compared with the end of last year (%)
		After adjustment	Before adjustment	
Total assets	48,703,234,918.39	49,236,213,263.55	49,030,983,416.00	-1.08
Net assets attributable to shareholders of the listed company	10,264,407,273.50	10,352,703,637.94	10,152,648,726.48	-0.85
	From the beginning of the year to the end of the reporting period	From the beginning of last year to the end of the reporting period of last year		Increase or decrease as compared to the same period (%)
		After adjustment	Before adjustment	
Net cash flow from operating activities	-1,188,843,987.86	-1,212,768,501.97	-1,210,329,493.31	1.97

II. BASIC INFORMATION OF THE COMPANY – CONTINUED

2.1 Key financial data– Continued

Unit: Yuan Currency: RMB

	From the beginning of the year to the end of the reporting period	From the beginning of last year to the end of the reporting period of last year		Increase or decrease as compared to the same period last year (%)
		After adjustment	Before adjustment	
Operating income	6,150,325,840.55	6,224,198,579.24	6,224,198,579.24	-1.19
Net profit attributable to shareholders of the listed company	52,527,151.54	38,005,453.78	38,005,453.78	38.21
Net profit attributable to shareholders of the listed company after deduction of non-recurring gains or losses	41,445,715.43	14,090,635.28	14,090,635.28	194.14
Weighted average returns on net assets (%)	0.34	0.50	0.52	Decrease of 0.16 percentage points
Basic earnings per share (RMB/share)	0.01	0.01	0.01	

Note: On 26 October 2018, China Nonferrous Metals Processing Technology Co., Ltd. (“**China Nonferrous Metal**”), a subsidiary of the Company, entered into an agreement of acquisition of Luoyang Kaiying Technology Co., Ltd. (“**Kaiying Company**”) with Chinalco Henan Aluminum Fabrication Co., Ltd., pursuant to which China Nonferrous Metal acquired Kaiying Company at a cash consideration of RMB205.8132 million. The acquisition was completed on 31 January 2019. The principle of business combination under common control has been applied. The Company has made retrospective adjustments to the financial statements.

II. BASIC INFORMATION OF THE COMPANY – CONTINUED

2.1 Key financial data – Continued

Items of non-recurring gains or losses and their amounts

Unit: Yuan Currency: RMB

Item	Amounts for the period
Gains or losses on disposal of non-current assets	3,159,067.73
Tax relief and reduction with approval exceeding authority or without formal approval documents or of non-recurring nature	
Government subsidies included in current profit or loss, other than on-going government subsidies which are closely related to the Company's normal operation, under the requirements of government policies and subject to certain limits or conditions	6,994,360.29
Capital occupation fee received from non-financial entities included in profit or loss for the current period	8,190,000.00
Gain from the excess of the fair value of the identifiable net assets of investee companies on acquisition of the investment over the investment cost in the Company's subsidiaries, associates and joint ventures	
Profit or loss from exchange of non-monetary assets	
Profit or loss from entrusted investments or asset management	
Provision for impairment on various assets due to force majeure events, such as natural disasters	
Profit or loss from debt restructuring	94,250.00
Corporate restructuring costs, such as employee relocation expenses and integration costs	
Profit or loss from transactions with obviously unfair transaction price for amount which exceeds fair value	
Net gains or losses of subsidiaries for the current period from the beginning of the period to the date of combination arising from business combination under common control	
Profit or loss from contingencies which are not related to the Company's normal operations	

II. BASIC INFORMATION OF THE COMPANY – CONTINUED

2.1 Key financial data – Continued

Items of non-recurring gains or losses and their amounts – Continued

Unit: Yuan Currency: RMB

Item	Amounts for the period
Gains or losses on changes in fair value arising from financial assets held for trading, derivative financial assets, financial liabilities held for trading, derivative financial liabilities, and investment gains on disposal of financial assets held for trading, derivative financial assets, financial liabilities held for trading, derivative financial liabilities and other debt investments, except for effective hedging transactions that are related to the Company's normal operation	
Reversal of the provision for impairment of receivables and contract assets which were tested individually for impairment	150,000.00
Profit or loss from external entrusted loans	
Profit or loss arising from changes in fair value of investment property under fair value model on subsequent measurement	
Effect of one-time adjustment to profit or loss for the current period according to the requirements of tax and accounting laws and regulations on profit or loss for the current period	
Entrusted fee income from entrusted operations	
Other non-operating income and expenses apart from above items	-1,921,859.42
Other profit and loss items falling within the definition of non-recurring profit and loss	
Effect of minority interests (after tax)	-3,745,476.07
Effect of income tax	-1,838,906.42
Total	<u>11,081,436.11</u>

II. BASIC INFORMATION OF THE COMPANY – CONTINUED

2.2 Total number of shareholders, the shareholding of the top ten shareholders, and the top ten shareholders in circulation (or shareholders whose shares are not subject to selling restrictions) as at the end of the reporting period

Unit: Share

Total number of shareholders 70,942

Name of shareholders (full name)	Shareholding of top ten shareholders		Number of shares held subject to selling restrictions	Pledged or locked up		Nature of shareholder
	Number of shares as at the end of the reporting period	Ratio (%)		Shares status	Number	
Aluminum Corporation of China	2,176,758,534	73.56	2,176,758,534	Nil	0	State-owned legal person
Hong Kong Securities Clearing Company Limited	399,476,000	13.50	0	Unknown	–	Foreign legal person
Luoyang Engineering & Research Institute for Nonferrous Metals Processing	86,925,466	2.94	86,925,466	Nil	0	State-owned legal person
WANG Heng (王恒)	3,268,800	0.11	0	Nil	0	Unknown
ZHANG He (張鶴)	2,051,400	0.07	0	Nil	0	Unknown
YAO Yuanxi (姚元熙)	2,000,000	0.07	0	Nil	0	Unknown
ZHANG Huaiyun (張懷運)	1,806,400	0.06	0	Nil	0	Unknown
MENG Hua (孟華)	1,364,600	0.05	0	Nil	0	Unknown
LIN Xing (林興)	1,283,950	0.04	0	Nil	0	Unknown
ZHAO Lihua (趙麗華)	1,222,300	0.04	0	Nil	0	Unknown

II. BASIC INFORMATION OF THE COMPANY – CONTINUED

2.2 Total number of shareholders, the shareholding of the top ten shareholders, and the top ten shareholders in circulation (or shareholders whose shares are not subject to selling restrictions) as at the end of the reporting period – Continued

Shareholding of top ten shareholders of shares in circulation not subject to selling restrictions

Name of shareholders	Number of shares held in circulation not subject to selling restrictions	Class and number of shares	
		Class	Number
Hong Kong Securities Clearing Company Limited	399,476,000	Foreign shares listed overseas	399,476,000
WANG Heng (王恒)	3,268,800	RMB ordinary shares	3,268,800
ZHANG He (張鶴)	2,051,400	RMB ordinary shares	2,051,400
YAO Yuanxi (姚元熙)	2,000,000	RMB ordinary shares	2,000,000
ZHANG Huaiyun (張懷運)	1,806,400	RMB ordinary shares	1,806,400
MENG Hua (孟華)	1,364,600	RMB ordinary shares	1,364,600
LIN Xing (林興)	1,283,950	RMB ordinary shares	1,283,950
ZHAO Lihua (趙麗華)	1,222,300	RMB ordinary shares	1,222,300
LI Ruxiang (李如祥)	1,163,500	RMB ordinary shares	1,163,500
WANG Yuanming (王元明)	1,142,900	RMB ordinary shares	1,142,900

Description on the related relationship or acting in concert among the aforesaid shareholders

Note 1: The number of shares held by Aluminum Corporation of China does not include the A shares of the Company indirectly held by it through its subsidiary Luoyang Engineering & Research Institute for Nonferrous Metals Processing, and the H shares of the Company indirectly held by it through its subsidiary Yunnan Aluminum International Company Limited. Aluminum Corporation of China, together with its subsidiary, held 2,283,179,000 shares of the Company in aggregate, including 2,263,684,000 A shares and 19,495,000 H shares, accounting for 77.16% of the total share capital of the Company.

Note 2: Hong Kong Securities Clearing Company Limited held 19,495,000 H shares of the Company on behalf of Yunnan Aluminum International Company Limited, a subsidiary of Aluminum Corporation of China.

II. BASIC INFORMATION OF THE COMPANY – CONTINUED

2.2 Total number of shareholders, the shareholding of the top ten shareholders, and the top ten shareholders in circulation (or shareholders whose shares are not subject to selling restrictions) as at the end of the reporting period – Continued

Note 3: 399,476,000 H shares of the Company held by Hong Kong Securities Clearing Company Limited include 19,495,000 H shares held on behalf of Yunnan Aluminum International Company Limited, a subsidiary of Aluminum Corporation of China.

Note 4: Save as aforesaid, the Company is not aware of any related relationship or person acting in concert among the aforesaid shareholders.

Description of holders of preference shares with restoration of voting rights and their shareholdings Nil

2.3 Table of the total number of holders of preference shares, the shareholding of the top ten holders of preference shares and the top ten holders of preference shares not subject to selling restrictions as at the end of the reporting period

Applicable Not applicable

III. KEY OPERATING DATA

3.1 During the first quarter of 2019, the Company has entered into 1,514 new contracts, the amount of which was RMB6,075 million, representing a year-on-year decrease of 38.70%. Details are as follows:

Types of contract	January to March 2019		January to March 2018		Year-on-year increase or decrease (%)	Total in 2019	
	Number	Amount (RMB100 million)	Number	Amount (RMB100 million)		Number	Amount (RMB100 million)
Design and advisory of geotechnical investigations	1,175	7.38	1,227	8.75	-15.59	1,175	7.38
Industrial projects	126	29.78	152	49.71	-40.10	126	29.78
Construction Civil buildings	72	17.69	60	28.44	-37.80	72	17.69
Highways and municipal works	5	1.77	8	7.32	-75.83	5	1.77
Manufacture of equipments	136	4.13	133	4.88	-15.37	136	4.13
Total	1,514	60.75	1,580	99.10	-38.70	1,514	60.75

III. KEY OPERATING DATA – CONTINUED

3.2 As at 31 March 2019, the amount of uncompleted contracts of the Company was RMB59,214 million in aggregate, details of which are as follows:

Types of contract	As at 31 March 2019	
	Number	Amount (RMB100 million)
Design and advisory of geotechnical investigations	4,667	23.36
Industrial projects	554	137.20
Construction	402	185.68
Civil buildings		
Highways and municipal works	107	231.51
Manufacture of equipments	404	14.38
Total	6,134	592.14

IV. SIGNIFICANT EVENTS

4.1 The Company's significant changes in major financial statement items and financial indicators and the reasons thereof

4.1.1 Description of key changes in the balance sheet

Unit: ten thousand yuan Currency: RMB

Item	31 March 2019	31 December 2018	Change in amount	Change in ratio
Non-current assets due				
within one year	30,506.41	104,973.67	-74,467.26	-70.94%
Other current assets	101,614.20	80,602.28	21,011.92	26.07%
Right-of-use assets	2,763.60	–	2,763.60	100.00%
Development costs	563.79	108.32	455.47	420.49%
Dividends payable	–	3,000.00	-3,000.00	-100.00%
Non-current liabilities due				
within one year	86,664.71	135,359.75	-48,695.04	-35.97%
Other comprehensive income	25,651.75	19,728.61	5,923.14	30.02%

IV. SIGNIFICANT EVENTS – CONTINUED

4.1 The Company's significant changes in major financial statement items and financial indicators and the reasons thereof – Continued

4.1.1 Description of key changes in the balance sheet – Continued

During the reporting period, the key changes in the balance sheet are as follows:

- 1) The non-current assets due within one year decreased by 70.94% as compared with the end of the previous year, which was mainly due to the recovery of the advances of RMB750 million from the Company's Guangxi Wuxiang Commercial Street Project (廣西五象商業街項目).
- 2) Other current assets increased by 26.07% as compared with the end of the previous year, which was mainly due to the acquisition of short-term wealth management products during the period.
- 3) Pursuant to the Notice regarding the Amendment to the Accounting Standards for Business Enterprises No. 21 – Leases (Cai Kuai [2018] No. 35) published by the Ministry of Finance, enterprises listed in both domestic and overseas stock exchanges or enterprises listed overseas and adopted International Financial Reporting Standards or the Accounting Standards for Business Enterprises to prepare financial statements shall apply the above-mentioned standard from 1 January 2019. The Company reassessed the lease contracts and has applied the simplified transition method. The financial data on 1 January 2019 was retrospectively adjusted in this report, and the comparative data for the year prior to the first implementation of the new lease standard was not restated. The right-of-use assets as at the end of the period are the right of use of the assets such as houses and equipments leased by the Company as at 31 March 2019.
- 4) Development costs increased by 420.49% as compared with the end of the previous year, which was mainly due to the investment costs for new R&D projects during the period.
- 5) Dividends payable decreased by 100% as compared with the beginning of the year, which was mainly due to the payment of dividends for other equity instruments recognized at the end of the previous year during the period.
- 6) Non-current liabilities due within one year decreased by 35.97% as compared with the beginning of the year, which was mainly due to the repayment of part of the long-term borrowings due during the period.
- 7) Other comprehensive income increased by 30.02% as compared with the beginning of the year, which was mainly due to the change of fair value resulted from the rise in stock price of the shares held in Tianqiao Crane by the Company.

IV. SIGNIFICANT EVENTS – CONTINUED

4.1 The Company's significant changes in major financial statement items and financial indicators and the reasons thereof – Continued

4.1.2 Description of key changes in the income statement

Unit: ten thousand yuan Currency: RMB

Item	This reporting period	Previous reporting period	Change in amount	Change in ratio
Tax and surcharges	2,757.42	1,806.47	950.95	52.64%
Asset impairment loss	-2.95	-847.91	844.96	-99.65%
Investment gains	802.12	-191.33	993.45	100.00%
Gains on disposal of assets	315.91	-19.45	335.36	N/A
Non-operating income	670.02	1,051.42	-381.40	-36.27%
Net profit attributable to shareholders of the parent company	5,252.72	3,800.55	1,452.17	38.21%
Changes in fair value of other equity instruments investment	6,089.66	3,728.36	2,361.30	63.33%

IV. SIGNIFICANT EVENTS – CONTINUED

4.1 The Company’s significant changes in major financial statement items and financial indicators and the reasons thereof – Continued

4.1.2 Description of key changes in the income statement – Continued

During the reporting period, the key changes in the income statement are as follows:

- 1) Taxes and surcharges increased by 52.64% as compared with the same period of the previous year, which was mainly due to the surcharges on value-added tax for large-scale projects recognized during the period.
- 2) Asset impairment loss decreased by 99.65% as compared with the same period of the previous year, which was mainly due to the recognition of impairment provision for inventories in the same period of the previous year.
- 3) Investment gains increased by RMB9.9345 million as compared with the same period of the previous year, which was mainly due to the increase in investment gains from associates recognized during the period.
- 4) Non-operating income decreased by 36.27% as compared with the same period of the previous year, which was mainly due to the decrease in government grants received during the period.
- 5) Net profit attributable to shareholders of the parent company increased by 38.21% as compared with the same period of the previous year, which was mainly due to the increase in profit of wholly-owned subsidiaries during the period.
- 6) The changes in fair value of other equity instrument investments increased by 63.33% as compared with the same period of the previous year, which was mainly due to the change of fair value resulted from the rise in stock price of shares held in Tianqiao Crane during the period.

IV. SIGNIFICANT EVENTS – CONTINUED

4.1 The Company's significant changes in major financial statement items and financial indicators and the reasons thereof – Continued

4.1.3 Description of key changes in the statement of cash flows

Unit: ten thousand yuan Currency: RMB

Item	First quarter of 2019	First quarter of 2018	Change in amount	Change in ratio
Net cash flow generated from operating activities	-118,884.40	-121,276.85	2,392.45	1.97%
Net cash flow generated from investment activities	-69,491.93	-140,874.52	71,382.59	50.67%
Net cash flow generated from financing activities	99,186.28	35,132.56	64,053.72	182.32%

During the reporting period, the key changes in the statement of cash flows are as follows:

- 1) The cash flow generated from operating activities during the period increased by RMB23.9245 million as compared with the same period of the previous year. Despite a relatively smaller change in ratio, the absolute value of the outflow saw larger. This was mainly due to the effect of traditional festivals such as Spring Festival, and the payment of contract project funds and migrant workers salary by the Company during the first quarter.
- 2) The net cash flow generated from investing activities increased by RMB714 million as compared with the same period of the previous year, which was mainly due to the decrease in wealth management products purchased during the reporting period as compared with the same period of the previous year, while portion of the equity transfer payments of the disposal of Suzhou Research Institute were received during the period.
- 3) The net cash flow generated from financing activities increased by RMB640 million as compared with the same period of the previous year, which was mainly due to the large increase in short-term bank borrowings during the period.

IV. SIGNIFICANT EVENTS – CONTINUED

4.2 Description of analysis of progress of material matters and impact thereof and the solutions

Applicable Not applicable

4.3 Commitments that have not been fulfilled during the reporting period

Applicable Not applicable

4.4 Alerts and explanations of the forecasted loss or significant changes compared to the same period of the previous year in accumulated net profit from the beginning of the year to the end of the next reporting period and the reason thereof

Applicable Not applicable

Name of the Company	China Aluminum International Engineering Corporation Limited
Legal representative	WU Jianqiang
Date	29 April 2019

V. APPENDICES

5.1 Financial statements

CONSOLIDATED BALANCE SHEET

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	31 March 2019	31 December 2018
Current assets:		
Monetary funds	6,024,821,141.24	6,808,982,374.68
Clearing settlement funds		
Placements with banks		
Financial assets held for trading		
Financial assets at fair value through profit or loss		
Derivative financial assets	188,760.00	188,760.00
Notes receivables and trade receivables	14,161,128,157.99	14,821,851,661.83
Including: Notes receivables	397,825,324.82	524,226,735.77
Trade receivables	13,763,302,833.17	14,297,624,926.06
Prepayments	1,257,545,333.26	1,153,068,595.30
Premiums receivable		
Reinsurance receivable		
Reinsurance contracts reserves receivable		
Other receivables	2,188,048,872.86	2,197,357,871.53
Including: Interest receivables	1,568,504.79	
Dividends receivable	199,941.86	199,941.87
Financial assets purchased under agreements to resell		
Inventories	3,777,664,737.98	3,432,855,047.08
Contract assets	11,938,724,181.06	11,044,945,310.20
Assets held for sale		
Non-current assets due within one year	305,064,133.32	1,049,736,706.16
Other current assets	1,016,141,994.98	806,022,777.25
Total current assets	40,669,327,312.69	41,315,009,104.03

V. APPENDICES – CONTINUED

5.1 Financial statements – Continued

CONSOLIDATED BALANCE SHEET – CONTINUED

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	31 March 2019	31 December 2018
Non-current assets:		
Loans and advances issued		
Debt investments		
Available-for-sale financial assets		
Other debt investments		
Held-to-maturity investments		
Long-term receivables	1,642,836,161.64	1,647,678,997.89
Long-term equity investments	486,265,887.61	480,523,006.21
Other equity instruments investments	246,339,065.69	207,654,873.93
Other non-current financial assets		
Investment properties	210,720,185.12	212,448,557.35
Fixed assets	2,291,417,016.25	2,211,705,616.64
Construction-in-progress	394,753,155.87	381,053,227.65
Productive biological assets		
Oil and gas assets		
Right-of-use assets	27,635,991.11	
Intangible assets	1,033,096,915.15	1,038,172,741.04
Development costs	5,637,899.07	1,083,239.87
Goodwill		
Long-term deferred expenses	25,272,346.92	25,445,372.07
Deferred income tax assets	674,384,991.86	676,002,534.57
Other non-current assets	995,547,989.41	1,039,435,992.30
Total non-current assets	8,033,907,605.70	7,921,204,159.52
Total assets	48,703,234,918.39	49,236,213,263.55

V. APPENDICES – CONTINUED

5.1 Financial statements – Continued

CONSOLIDATED BALANCE SHEET – CONTINUED

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	31 March 2019	31 December 2018
Current liabilities:		
Short-term borrowings	10,661,866,277.35	9,047,044,116.44
Loans from central bank		
Placements from banks		
Financial liabilities held for trading		
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities	22,500.00	22,500.00
Notes payables and trade payables	14,276,007,989.97	16,063,482,846.87
Advances received		
Financial assets sold under agreements to repurchase		
Absorbing deposit and interbank deposit		
Brokerage for securities trading		
Brokerage for securities underwriting		
Salary payables	180,592,026.77	255,104,295.04
Tax charge payables	249,026,605.18	323,166,819.01
Other payables	1,726,056,458.77	1,698,167,319.65
Including: Interest payables	10,851,813.11	17,471,084.13
Dividends payable		30,000,000.00
Handling charge and commission payables		
Reinsurance payable		
Contract liabilities	2,922,413,890.58	2,707,596,747.93
Liabilities held for sale		
Non-current liabilities due within one year	866,647,104.96	1,353,597,500.02
Other current liabilities	1,197,468,719.90	1,344,399,651.43
Total current liabilities	32,068,251,968.54	32,792,581,796.39

V. APPENDICES – CONTINUED

5.1 Financial statements – Continued

CONSOLIDATED BALANCE SHEET – CONTINUED

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	31 March 2019	31 December 2018
Non-current liabilities:		
Reserves for insurance contracts		
Long-term borrowings	2,432,000,000.00	2,223,000,000.00
Debentures payables		
Including: Preferred shares		
Perpetual bonds		
Leased liabilities	28,048,365.39	
Long-term payables	6,011,227.87	5,606,227.87
Long-term salary payables	707,033,004.84	713,871,000.00
Estimated liabilities		
Deferred income	45,912,541.58	40,813,744.29
Deferred income tax liabilities	74,821,813.00	74,821,813.00
Other non-current liabilities		
	<hr/>	<hr/>
Total non-current liabilities	3,293,826,952.68	3,058,112,785.16
	<hr/>	<hr/>
Total liabilities	35,362,078,921.22	35,850,694,581.55

V. APPENDICES – CONTINUED

5.1 Financial statements – Continued

CONSOLIDATED BALANCE SHEET – CONTINUED

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	31 March 2019	31 December 2018
Owner's equity (or shareholder's equity):		
Paid-up capital (or share capital)	2,959,066,667.00	2,959,066,667.00
Other equity instruments	1,699,801,886.79	1,699,801,886.79
Including: Preferred shares		
Perpetual bonds	1,699,801,886.79	1,699,801,886.79
Capital public reserve	849,739,769.49	1,049,794,680.95
Less: Treasury shares		
Other comprehensive income	256,517,502.74	197,286,107.26
Surplus public reserve	188,914,615.74	188,914,615.74
Provision for general risk		
Special reserve	64,441,025.45	64,441,025.45
Undistributed profit	4,245,925,806.29	4,193,398,654.75
Total equity attributable to owners (or shareholders) of the parent company	10,264,407,273.50	10,352,703,637.94
Minority interests	3,076,748,723.67	3,032,815,044.06
	<hr/>	<hr/>
Total owner's equity (or shareholder's equity)	<u>13,341,155,997.17</u>	<u>13,385,518,682.00</u>
Total liabilities and owner's equity (or shareholder's equity)	<u>48,703,234,918.39</u>	<u>49,236,213,263.55</u>

V. APPENDICES – CONTINUED

5.1 Financial statements – Continued

PARENT COMPANY BALANCE SHEET

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	31 March 2019	31 December 2018
Current assets:		
Monetary funds	1,918,092,474.65	2,216,957,755.29
Financial assets held for trading		
Financial assets at fair value through profit or loss		
Derivative financial assets		
Notes receivables and trade receivables	2,173,397,924.90	2,168,682,089.18
Including: Notes receivables	64,824,152.99	71,096,760.58
Trade receivables	2,108,573,771.91	2,097,585,328.60
Prepayments	208,856,582.23	92,222,696.28
Other receivables	6,390,523,353.27	6,270,987,924.15
Including: Interest receivables	359,393,073.63	
Dividends receivable	242,266,717.96	363,266,717.96
Inventories	204,212,143.59	206,541,898.88
Contract assets	657,017,491.33	756,735,998.28
Assets held for sale		
Non-current assets due within one year	1,172,000,000.00	644,260,000.00
Other current assets	390,147,675.51	141,353,068.90
Total current assets	13,114,247,645.48	12,497,741,430.96

V. APPENDICES – CONTINUED

5.1 Financial statements – Continued

PARENT COMPANY BALANCE SHEET – CONTINUED

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	31 March 2019	31 December 2018
Non-current assets:		
Debt investments		
Available-for-sale financial assets		
Other debt investments		
Held-to-maturity investments		
Long-term receivables	1,028,233,887.40	1,616,633,887.40
Long-term equity investments	4,246,246,565.00	4,240,246,565.00
Other equity instruments investments	215,871,644.11	177,087,452.35
Other non-current financial assets		
Investment properties		
Fixed assets	82,801,866.19	83,427,735.68
Construction-in-progress		
Productive biological assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets	152,618,058.91	154,260,025.64
Development costs		
Goodwill		
Long-term deferred expenses	10,642.90	10,642.90
Deferred income tax assets	34,121,223.98	40,929,775.91
Other non-current assets		
Total non-current assets	<u>5,759,903,888.49</u>	<u>6,312,596,084.88</u>
Total assets	<u>18,874,151,533.97</u>	<u>18,810,337,515.84</u>

V. APPENDICES – CONTINUED

5.1 Financial statements – Continued

PARENT COMPANY BALANCE SHEET – CONTINUED

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	31 March 2019	31 December 2018
Current liabilities:		
Short-term borrowings	5,924,700,000.00	5,052,476,823.09
Financial liabilities held for trading		
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities	22,500.00	22,500.00
Notes payables and trade payables	2,545,804,719.51	2,904,742,685.72
Advances received		
Contract liabilities	825,882,489.76	821,966,166.29
Salary payables	6,819,445.51	7,771,419.13
Tax charge payables	10,211,661.70	6,022,470.65
Other payables	680,824,047.81	1,406,436,473.51
Including: Interest payables	8,582,605.58	10,219,078.45
Dividends payable	30,000,000.00	30,000,000.00
Liabilities held for sale		
Non-current liabilities due within one year	717,997,500.02	717,997,500.02
Other current liabilities	30,394,983.30	40,689,318.21
Total current liabilities	10,742,657,347.61	10,958,125,356.62

V. APPENDICES – CONTINUED

5.1 Financial statements – Continued

PARENT COMPANY BALANCE SHEET – CONTINUED

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	31 March 2019	31 December 2018
Non-current liabilities:		
Long-term borrowings	2,037,000,000.00	1,737,000,000.00
Debentures payables		
Including: Preferred shares		
Perpetual bonds		
Leased liabilities		
Long-term payables		
Long-term salary payables	4,010,000.00	4,010,000.00
Estimated liabilities		
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		
	<hr/>	<hr/>
Total non-current liabilities	<u>2,041,010,000.00</u>	<u>1,741,010,000.00</u>
Total liabilities	<u>12,783,667,347.61</u>	<u>12,699,135,356.62</u>

V. APPENDICES – CONTINUED

5.1 Financial statements – Continued

PARENT COMPANY BALANCE SHEET – CONTINUED

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	31 March 2019	31 December 2018
Owner’s equity (or shareholder’s equity):		
Paid-up capital (or share capital)	2,959,066,667.00	2,959,066,667.00
Other equity instruments	1,699,801,886.79	1,699,801,886.79
Including: Preferred shares		
Perpetual bonds	1,699,801,886.79	1,699,801,886.79
Capital public reserve	1,198,894,634.78	1,198,894,634.78
Less: Treasury shares		
Other comprehensive income	–4,001,239.08	–36,967,802.08
Surplus public reserve	188,914,615.74	188,914,615.74
Special reserve	716,950.10	
Undistributed profit	47,090,671.03	101,492,156.99
	<hr/>	<hr/>
Total owner’s equity (or shareholder’s equity)	<u>6,090,484,186.36</u>	<u>6,111,202,159.22</u>
Total liabilities and owner’s equity (or shareholder’s equity)	<u>18,874,151,533.97</u>	<u>18,810,337,515.84</u>

V. APPENDICES – CONTINUED

5.1 Financial statements – Continued

CONSOLIDATED INCOME STATEMENT

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	First quarter of 2019	First quarter of 2018
1. Total operating revenue	<u>6,150,325,840.55</u>	<u>6,224,198,579.24</u>
Including: Operating revenue	<u>6,150,325,840.55</u>	<u>6,224,198,579.24</u>
2. Total operating costs	<u>6,038,696,784.72</u>	<u>6,104,401,199.94</u>
Including: Operating costs	5,652,770,406.60	5,751,632,721.29
Tax and surcharges	27,574,178.23	18,064,706.82
Selling expenses	25,971,264.30	23,269,057.34
Administrative expenses	283,138,467.38	265,236,907.32
Research and development expenses	43,953,751.65	35,988,358.42
Finance costs	95,162,499.88	97,254,858.08
Including: Interest expenses	144,602,892.38	143,356,767.13
Interest revenue	52,639,561.55	51,021,244.05
Asset impairment loss	-29,506.23	-8,479,111.73
Credit impairment loss	-89,844,277.09	-78,566,297.60
Add: Other gains	3,623,271.53	3,556,995.58
Investment gains (“-” indicating loss)	8,021,181.82	-1,913,312.95
Including: Gains from investment in associated companies and joint ventures	5,742,881.40	-2,744,295.76
Gains on disposal of assets (“-” indicating loss)	<u>3,159,067.73</u>	<u>-194,496.52</u>
3. Operating profit (“-” indicating loss)	<u>126,432,576.91</u>	<u>121,246,565.41</u>
Add: Non-operating revenue	6,700,192.71	10,514,234.28
Less: Non-operating expenses	<u>5,006,713.37</u>	<u>5,358,540.45</u>
4. Total profits (“-” indicating total loss)	<u>128,126,056.25</u>	<u>126,402,259.24</u>
Less: Income tax expenses	<u>31,665,225.10</u>	<u>42,790,691.94</u>

V. APPENDICES – CONTINUED

5.1 Financial statements – Continued

CONSOLIDATED INCOME STATEMENT – CONTINUED

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	First quarter of 2019	First quarter of 2018
5. Net profits (“–” indicating net loss)	96,460,831.15	83,611,567.30
(1) Classified by continuity of operations		
1. Net profit from continuing operations (“–” indicating net loss)	96,460,831.15	83,611,567.30
2. Net profit from discontinued operations (“–” indicating net loss)		
(2) Classified by ownership		
1. Net profit attributable to shareholders of the parent company (“–” indicating net loss)	52,527,151.54	38,005,453.78
2. Gains and losses of minority interests (“–” indicating net loss)	43,933,679.61	45,606,113.52
6. Net other comprehensive income after taxes	26,264,832.48	538,102.30
Net other comprehensive income after taxes attributable to owners of the parent company	26,264,832.48	537,991.80
(1) Other comprehensive income that cannot be reclassified into profit or loss	60,896,567.76	37,267,202.69
1. Changes arising from re-measurement of defined benefit plans		–16,410.50
2. Other comprehensive income that cannot be reclassified to profit or loss under the equity method		
3. Changes in fair value of other equity instruments investments	60,896,567.76	37,283,613.19
4. Changes in fair value of the enterprise’s own credit risk		
(2) Other comprehensive income to be reclassified into profit or loss	–34,631,735.28	–36,729,210.89
1. Other comprehensive income that can be reclassified to profit or loss under the equity method		
2. Changes in fair value of other debt investments		

V. APPENDICES – CONTINUED

5.1 Financial statements – Continued

CONSOLIDATED INCOME STATEMENT – CONTINUED

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	First quarter of 2019	First quarter of 2018
3. Gains or losses on changes in fair value of available-for-sale financial assets		
4. Financial assets reclassified into other comprehensive income		
5. Gains or losses from held-to-maturity investments reclassified into available-for-sale financial assets		
6. Credit impairment provision for other debt investments		
7. Cash flow hedging reserve (effective portion of gains or losses from cash flow hedging)		
8. Exchange differences from translation of foreign-currency financial statements	-34,631,735.28	-36,729,210.89
9. Others		
Net other comprehensive income after taxes attributable to minority shareholders		110.50
7. Total comprehensive income	122,725,663.63	84,149,669.60
Total comprehensive income attributable to shareholders of the parent company	78,791,984.02	38,543,445.58
Total comprehensive income attributable to minority shareholders	43,933,679.61	45,606,224.02
8. Earnings per share:		
(1) Basic earnings per share (RMB/share)	0.01	0.01
(2) Diluted earnings per share (RMB/share)		

For business combinations under common control occurred during the period, the net profit of the combined party realized before the combination is nil, while the net profit of the combined party for the previous period was nil.

V. APPENDICES – CONTINUED

5.1 Financial statements – Continued

PARENT COMPANY INCOME STATEMENT

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	First quarter of 2019	First quarter of 2018
1. Operating revenue	<u>139,400,223.07</u>	<u>902,840,246.92</u>
Less: Operating costs	116,437,011.96	874,796,540.66
Tax and surcharges	210,309.64	314,857.15
Selling expenses	9,766,027.14	8,159,299.54
Administration expenses	39,654,084.54	37,467,045.33
Research and development expenses	9,244,527.64	9,965,554.49
Finance costs	30,105,095.99	14,937,399.51
Including: Interest expenses	122,096,461.50	115,923,572.05
Interest revenue	83,515,778.05	100,086,424.42
Asset impairment loss		
Credit impairment loss	-6,628,004.38	-14,621,775.59
Add: Other gains		
Investment gains (“-” indicating loss)	76,028,194.44	30,578,461.60
Including: Gains from investment in associated companies and joint ventures	<u>6,000,000.00</u>	<u>157,481.94</u>
2. Operating profit (“-” indicating loss)	<u>16,639,364.98</u>	<u>2,399,787.43</u>
Add: Non-operating revenue		1,765,616.64
Less: Non-operating expenses	<u>49,927.77</u>	<u>40.77</u>

V. APPENDICES – CONTINUED

5.1 Financial statements – Continued

PARENT COMPANY INCOME STATEMENT – CONTINUED

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	First quarter of 2019	First quarter of 2018
3. Total profits (“–” indicating total loss)	<u>16,589,437.21</u>	<u>4,165,363.30</u>
Less: Income tax expenses	<u>990,923.17</u>	<u>2,179,359.79</u>
4. Net profits (“–” indicating net loss)	<u>15,598,514.04</u>	<u>1,986,003.51</u>
(1) Net profit from continuing operations (“–” indicating net loss)	15,598,514.04	1,986,003.51
(2) Net profit from discontinued operations (“–” indicating net loss)	_____	_____
5. Net other comprehensive income after taxes	<u>60,896,567.76</u>	<u>37,412,593.19</u>
6. Total comprehensive income	<u>76,495,081.80</u>	<u>39,398,596.70</u>

V. APPENDICES – CONTINUED

5.1 Financial statements – Continued

CONSOLIDATED STATEMENT OF CASH FLOWS

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	First quarter of 2019	First quarter of 2018
1. Cash flow generated from operating activities:		
Cash received from sales of goods and provision of labor services	6,577,478,317.24	6,372,699,579.68
Tax refunds received	22,837,922.98	10,097,592.53
Cash received from other operating activities	463,069,318.56	344,600,441.41
	<hr/>	<hr/>
Sub-total of cash inflow from operating activities	7,063,385,558.78	6,727,397,613.62
	<hr/>	<hr/>
Cash paid for purchase of goods and engagement of labor services	7,110,005,563.90	6,930,885,630.75
Cash paid to and for employees	625,234,751.97	635,536,495.17
Payments of all types of taxes	235,882,273.21	232,219,214.03
Cash paid for other operating activities	281,106,957.56	141,524,775.64
	<hr/>	<hr/>
Sub-total of cash outflow from operating activities	8,252,229,546.64	7,940,166,115.59
	<hr/>	<hr/>
Net cash flow from operating activities	-1,188,843,987.86	-1,212,768,501.97
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V. APPENDICES – CONTINUED

5.1 Financial statements – Continued

CONSOLIDATED STATEMENT OF CASH FLOWS – CONTINUED

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	First quarter of 2019	First quarter of 2018
2. Cash flow generated from investing activities:		
Cash received from disposal of investment	594,639,079.90	1,034,173,356.75
Cash received from investment gains	8,316,335.60	21,453,653.10
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	145,917.53	21,417.47
Net cash received from disposal of a subsidiary and other operating units	89,770,800.00	
Cash received from other investing activities	7,347,140.00	
Sub-total of cash inflow from investing activities	700,219,273.03	1,055,648,427.32
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	153,105,963.49	83,933,506.92
Cash paid for investments	990,439,780.00	2,380,460,113.16
Net cash paid for acquisition of subsidiaries and other operational units	247,869,979.80	
Cash paid for other investing activities	3,722,820.00	
	<hr/>	<hr/>
Sub-total of cash outflow from investing activities	1,395,138,543.29	2,464,393,620.08
	<hr/>	<hr/>
Net cash flow from investing activities	-694,919,270.26	-1,408,745,192.76
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V. APPENDICES – CONTINUED

5.1 Financial statements – Continued

CONSOLIDATED STATEMENT OF CASH FLOWS – CONTINUED

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	First quarter of 2019	First quarter of 2018
3. Cash flow generated from financing activities:		
Cash received from investors		
Including: Cash received from investment of minority shareholders of a subsidiary		
Cash received from obtaining borrowings	6,091,980,788.80	4,063,842,400.00
Cash received from issuing bonds		
Cash received from other financing activities	321,484,000.00	152,159,519.93
	<hr/>	<hr/>
Sub-total of cash inflow from financing activities	6,413,464,788.80	4,216,001,919.93
	<hr/>	<hr/>
Cash paid for repayment of debt	4,780,644,823.09	3,098,398,250.00
Cash paid for distribution of dividends, profit or payment of interests	241,679,763.46	202,278,065.18
Including: Cash paid for dividends and profit to minority shareholders of a subsidiary		64,174,162.50
Cash paid for other financing activities	399,277,361.10	564,000,000.00
	<hr/>	<hr/>
Sub-total of cash outflow from financing activities	5,421,601,947.65	3,864,676,315.18
	<hr/>	<hr/>
Net cash flow from financing activities	991,862,841.15	351,325,604.75
	<hr/>	<hr/>

V. APPENDICES – CONTINUED

5.1 Financial statements – Continued

CONSOLIDATED STATEMENT OF CASH FLOWS – CONTINUED

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	First quarter of 2019	First quarter of 2018
4. Effect on cash and cash equivalents from change of exchange rates	<u>-4,560,500.94</u>	<u>-38,102,434.21</u>
5. Net increase in cash and cash equivalents	<u>-896,460,917.91</u>	<u>-2,308,290,524.19</u>
Add: Balance of cash and cash equivalents at the beginning of the period	<u>5,830,125,446.39</u>	<u>6,283,894,251.35</u>
6. Balance of cash and cash equivalents at the end of the period	<u>4,933,664,528.48</u>	<u>3,975,603,727.16</u>

V. APPENDICES – CONTINUED

5.1 Financial statements – Continued

PARENT COMPANY STATEMENT OF CASH FLOWS

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	The first quarter of 2019	The first quarter of 2018
1. Cash flow generated from operating activities:		
Cash received from sales of goods and provision of labor services	248,384,447.95	664,635,599.60
Tax refunds received		
Cash received from other operating activities	78,858,552.21	5,123,850.24
Sub-total of cash inflow from operating activities	327,243,000.16	669,759,449.84
Cash paid for purchase of goods and engagement of labor services	546,371,910.52	549,931,390.59
Cash paid to and for employees	66,038,129.80	69,288,378.68
Payments of all types of taxes	2,182,077.91	3,371,789.44
Cash paid for other operating activities	701,953,239.29	134,059,253.83
	<hr/>	<hr/>
Sub-total of cash outflow from operating activities	1,316,545,357.52	756,650,812.54
	<hr/>	<hr/>
Net cash flow from operating activities	-989,302,357.36	-86,891,362.70
	<hr/>	<hr/>
2. Cash flow generated from investing activities:		
Cash received from disposal of investment	1,808,641,000.00	971,950,000.00
Cash received from investment gains	186,695,446.48	140,195,435.30
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from disposal of a subsidiary and other operating units	36,572,518.00	
Cash received from other investing activities	40,000,000.00	

V. APPENDICES – CONTINUED

5.1 Financial statements – Continued

PARENT COMPANY STATEMENT OF CASH FLOWS – CONTINUED

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	The first quarter of 2019	The first quarter of 2018
Sub-total of cash inflow from investing activities	2,071,908,964.48	1,112,145,435.30
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	255,385.00	2,080,840.00
Cash paid for investments	2,242,036,500.00	3,080,149,000.00
Net cash paid for acquisition of subsidiaries and other operational units	67,474,379.80	
Cash paid for other investing activities		
Sub-total of cash outflow from investing activities	<u>2,309,766,264.80</u>	<u>3,082,229,840.00</u>
Net cash flow from investing activities	<u>-237,857,300.32</u>	<u>-1,970,084,404.70</u>
3. Cash flow generated from financing activities:		
Cash received from investors		
Cash received from obtaining borrowings	4,550,000,000.00	3,180,000,000.00
Cash received from other financing activities		
Sub-total of cash inflow from financing activities	4,550,000,000.00	3,180,000,000.00
Cash paid for repayment of debt	3,474,983,323.09	1,855,547,200.00
Cash paid for distribution of dividends, profit or payment of interests	109,976,900.06	88,944,448.42
Cash paid for other financing activities		
Sub-total of cash outflow from financing activities	<u>3,584,960,223.15</u>	<u>1,944,491,648.42</u>
Net cash flow from financing activities	<u>965,039,776.85</u>	<u>1,235,508,351.58</u>

V. APPENDICES – CONTINUED

5.1 Financial statements – Continued

PARENT COMPANY STATEMENT OF CASH FLOWS – CONTINUED

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	The first quarter of 2019	The first quarter of 2018
4. Effect on cash and cash equivalents from change of exchange rates	<u>-3,973,763.12</u>	<u>-16,366,328.21</u>
5. Net increase in cash and cash equivalents	<u>-266,093,643.95</u>	<u>-837,833,744.03</u>
Add: Balance of cash and cash equivalents at the beginning of the period	<u>2,184,186,118.60</u>	<u>2,072,774,014.80</u>
6. Balance of cash and cash equivalents at the end of the period	<u>1,918,092,474.65</u>	<u>1,234,940,270.77</u>

5.2 Adjusting to the first implementation of the financial statements items at the beginning of the year with the first implementation of new financial instrument standard, new income standard and new lease standard

Consolidated Balance Sheet

Unit: Yuan Currency: RMB

Item	31 December 2018	1 January 2019	Adjustment
Prepayments	1,153,068,595.30	1,151,108,887.30	-1,959,708.00
Right-of-use assets	/	30,297,055.57	30,297,055.57
Non-current liabilities due within one year	1,353,597,500.02	1,365,926,189.95	12,328,689.93
Lease liability	/	16,198,760.45	16,198,760.45

V. APPENDICES – CONTINUED

5.2 Adjusting to the first implementation of the financial statements items at the beginning of the year with the first implementation of new financial instrument standard, new income standard and new lease standard – Continued

Description of adjustment of each item:

- 1) The Company has applied the new income standards and the new financial instrument standards from 1 January 2018.
- 2) Pursuant to the Notice regarding the Amendment to the Accounting Standard for Business Enterprises No. 21 – Leases (Cai Kuai [2018] No. 35) published by the Ministry of Finance, enterprises listed in both domestic and overseas stock exchanges or enterprises listed overseas and adopted International Financial Reporting Standards or the Accounting Standards for Business Enterprises to prepare financial statements shall apply the above-mentioned standard from 1 January 2019. The Company reassessed the lease contracts and has applied the simplified transition method. The financial data on 1 January 2019 was retrospectively adjusted in this report, and the comparative data for the year prior to the first implementation of the new lease standard was not restated. All right-of-use assets are measured at the amount of the lease liability at the time of use (adjusted by prepaid or payable lease expenses).
- 3) The parent company's balance sheet does not contain the adjustments against the adoption of the lease standard from 1 January 2019.

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

Beijing, the PRC, 29 April 2019

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

* *For identification purpose only*