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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 ON COMPLETION OF REGISTRATION OF
THE GRANT UNDER THE 2023 RESTRICTED SHARE
INCENTIVE SCHEME**

IMPORTANT NOTICE:

Date of registration of Restricted Shares: 26 July 2024

Number of Restricted Shares under the first grant: 26,769,600 shares

References are made to the announcements (the “**Announcements**”) of China Aluminum International Engineering Corporation Limited (the “**Company**”) dated 8 December 2023, 2 April 2024, 18 April 2024 and 18 June 2024, respectively, and the circular (the “**Circular**”) dated 17 May 2024, in relation to, among other things, the proposed adoption of the 2023 Restricted Share Incentive Scheme, the first grant of Restricted Shares to Participants under the 2023 Restricted Share Incentive Scheme and other related matters. Unless the context otherwise requires, terms used in this announcement shall have the same meanings as those defined in the Announcements and the Circular.

In accordance with the Management Measures for Equity Incentives of Listed Companies of the China Securities Regulatory Commission, the relevant provisions of the Shanghai Stock Exchange and the Shanghai Branch of China Securities Depository and Clearing Corporation Limited (the “**Shanghai Branch of the CSDCC**”), the Company completed the registration of the first grant of part of Restricted Shares under the 2023 Restricted Share Incentive Scheme of the Company with the Shanghai Branch of the CSDCC on 26 July 2024. The following announcement is hereby made in relation to the relevant issues:

I. GRANT OF THE RESTRICTED SHARES

Reference is made to the announcement of the Company dated 18 June 2024 (the “**Announcement**”). As stated in the Announcement, the Company had determined 18 June 2024 as the first grant date for the first grant of 27,158,300 Restricted Shares at a grant price of RMB2.37 per share to 240 Participants who met the grant conditions.

Pursuant to the relevant provisions of the 2023 Restricted Share Incentive Scheme and the authorisation granted by the Company at the AGM and the Class Meetings held on 18 June 2024, the actual grants under the 2023 Restricted Share Incentive Scheme are set out below:

- (I) First grant date: 18 June 2024
- (II) Number of Restricted Shares under the first grant: 26,769,600 shares
- (III) Number of Participants for the first grant: 237 persons
- (IV) First grant price: RMB2.37 per share
- (V) Source of shares: The ordinary A shares of the Company issued by the Company to the Participants
- (VI) Participants and number of Restricted Shares under the first grant: There are 26,769,600 Restricted Shares under the first grant of the Company, representing 0.90% of the total share capital of the Company before the grant. The specific allocation is as follows:

No.	Name	Position	Restricted Shares Granted (‘0,000 shares)	Percentage of the total number of Restricted Shares granted	Percentage of the total share capital of the Company as at the date of this announcement
1	Li Yihua	Chairman and executive director	26.74	0.93%	0.01%
2	Liu Jing	Executive director and general manager	26.74	0.93%	0.01%
3	Liu Ruiping	Deputy general manager	22.73	0.79%	0.01%
4	Liu Dongjun	Executive director	20.06	0.70%	0.01%
5	Zhao Hongmei	Executive director and chief financial officer	20.06	0.70%	0.01%
6	Zhou Dongfang	Deputy general manager	20.06	0.70%	0.01%

No.	Name	Position	Restricted Shares Granted (‘0,000 shares)	Percentage of the total number of Restricted Shares granted	Percentage of the total share capital of the Company as at the date of this announcement
7	Tao Fulun	Secretary to the Board	18.39	0.64%	0.01%
8	Bai Jie	General counsel	16.07	0.56%	0.01%
9	Other management personnel and core technical (business) backbone personnel (not exceeding 229 persons)		2,506.11	87.11%	0.84%
Total First Grant			2,676.96	93.05%	0.90%
Reserved Grant			200	6.95%	0.07%
Total			2,876.96	100.00%	0.96%

Note 1: Mr. Bi Xiaoge, the former deputy general manager of the Company, was the Participant of the first grant under the 2023 Restricted Share Incentive Scheme. Mr. Bi Xiaoge submitted a written report to the Board of Directors of the Company on 24 June 2024 and ceased to hold the position of deputy general manager of the Company, but is still working in the Company.

Note 2: Any difference between the total of the above figures and the arithmetic sum of the breakdowns is due to rounding.

(VII) Explanation on the difference between the number of Restricted Shares actually granted and the number of Restricted Shares to be granted:

In the process of payment verification after the first grant date, one Participant voluntarily waived part of the Restricted Shares to be granted, and no further grants were made to three Participants due to their change of work positions and failure to satisfy the conditions of the grant. Therefore, the actual number of Participants for the first grant of the Company was 237 and the number of Restricted Shares actually granted was 26,769,600 shares.

Except for the matters described above, the actual grants under the 2023 Restricted Share Incentive Scheme were consistent with the grants of Restricted Shares considered and approved at the twenty-first meeting of the fourth session of the Board of the Directors of the Company held on 18 June 2024.

II. VALIDITY PERIOD, LOCK-UP PERIOD AND UNLOCKING ARRANGEMENTS OF RESTRICTED SHARES

- (I) The Validity Period of the 2023 Restricted Share Incentive Scheme shall commence from the date of completion of registration of the first grant of the Restricted Shares to the date when all the Restricted Shares which have been granted to the Participants are unlocked or repurchased, and shall not exceed 72 months in any event.

- (II) The Restricted Shares granted under the 2023 Restricted Share Incentive Scheme will be unlocked in three batches, with each batch being subject to a Lock-up Period of 24 months, 36 months and 48 months respectively from the date of completion of registration of the corresponding grant. During the Lock-up Period, the Restricted Shares granted to the Participants under the 2023 Restricted Share Incentive Scheme are restricted from sale, and cannot be transferred, used as security or for repaying debts. The Shares acquired by the Participants as a result of the capitalization of capital reserve, payment of share dividends, sub-division of shares and rights issue as a result of the grant of Restricted Shares which have not been released from restriction are also subject to lock-up in accordance with the 2023 Restricted Share Incentive Scheme. After the release of the lock-up restriction, the Company will unlock the Restricted Shares for those Participants who satisfy the Unlocking Conditions, and the Restricted Shares held by those Participants who do not satisfy the Unlocking Conditions will be repurchased by the Company.

(III) The unlocking schedule arrangements of the Restricted Shares under the first grant and the reserved grant of the 2023 Restricted Share Incentive Scheme are set out below:

Unlocking arrangement	Unlocking schedule	Proportion of the Restricted Shares to be unlocked of total number of the Restricted Shares granted
First Unlocking Period of the first grant and the reserved grant	Commencing from the first trading day upon the expiry of 24 months from the date of completion of registration of the grant to the last trading day upon the expiry of 36 months from the date of completion of registration of the grant	40%
Second Unlocking Period of the first grant and the reserved grant	Commencing from the first trading day upon the expiry of 36 months from the date of completion of registration of the grant to the last trading day upon the expiry of 48 months from the date of completion of registration of the grant	30%
Third Unlocking Period of the first grant and the reserved grant	Commencing from the first trading day upon the expiry of 48 months from the date of completion of registration of the grant to the last trading day upon the expiry of 60 months from the date of completion of registration of the grant	30%

III. CAPITAL VERIFICATION OF THE SUBSCRIPTION FUNDS FOR THE RESTRICTED SHARES UNDER THE GRANT

According to the Capital Verification Report (XIN KUAI SHI BAO ZI [2024] No. ZG223715) issued by BDO China SHU LUN PAN Certified Public Accountants LLP, as at 18 July 2024, the Company had received capital contributions of RMB63,443,952.00 from 237 Participants, all of which were in monetary terms, of which RMB26,769,600.00 was credited to the share capital and RMB36,674,352.00 was credited to the capital reserve. The registered capital of the Company after the change is RMB2,985,836,267.00.

IV. REGISTRATION OF RESTRICTED SHARES UNDER THE GRANT

The 26,769,600 Restricted Shares under the grant of the Company have been registered with the Shanghai Branch of the CSDCC on 26 July 2024, and the Certificate of Change in Registration of Securities issued by the Shanghai Branch of the CSDCC have been obtained.

V. EFFECT ON THE CONTROL OF THE COMPANY BEFORE AND AFTER THE GRANT

Upon completion of the grant of Restricted Shares, the total share capital of the Company increased to 26,769,600 shares. Prior to the grant, the controlling shareholder of the Company was Aluminum Corporation of China, with a direct shareholding of 73.56%; upon completion of the grant, the controlling shareholder of the Company is Aluminum Corporation of China, with a direct shareholding of 72.90%. The completion of the grant of Restricted Shares will not result in any change in the controlling shareholder's control over the Company.

VI. CHANGES IN SHARE CAPITAL STRUCTURE

The share capital structure of the Company before and after the change is as follows:

	<i>Unit: Shares</i>		
Securities category	Number of shares before the change	Change	Number of shares after the change
A shares outstanding subject to trading restriction	0	26,769,600	26,769,600
A shares outstanding not subject to trading restriction	2,559,590,667	0	2,559,590,667
H shares	399,476,000	0	399,476,000
Total	<u>2,959,066,667</u>	<u>26,769,600</u>	<u>2,985,836,267</u>

VII. USE OF PROCEEDS OF THE COMPANY

The proceeds of the Company from the grant of Restricted Shares will be used to replenish liquidity.

VIII. IMPACT OF THE GRANT OF RESTRICTED SHARES ON THE COMPANY'S FINANCIAL POSITION IN THE RELEVANT YEAR

In accordance with the requirements of the Accounting Standards for Business Enterprises No. 11 – Share-based Payment, at each balance sheet date within the Lock-up Period, the Company shall make revision to the estimated number of the Restricted Shares which are expected to be unlocked based on the subsequent information such as changes in the latest available number of persons eligible to the unlocking of the Restricted Shares, and the completion of the performance targets, and include the services acquired during such period in the relevant costs or expenses and capital reserve based on the fair value of the Restricted Shares on the Grant Date.

The total cost of Restricted Shares granted was estimated to be RMB53.5392 million, and the amortisation of the cost of Restricted Shares from 2024 to 2028 is set out in the table below:

Number of Restricted Shares under the first grant (<i>'0,000 shares</i>)	Total cost (<i>RMB'0,000</i>)	2024 (<i>RMB'0,000</i>)	2025 (<i>RMB'0,000</i>)	2026 (<i>RMB'0,000</i>)	2027 (<i>RMB'0,000</i>)	2028 (<i>RMB'0,000</i>)
2,676.96	5,353.92	1,171.17	2,007.72	1,383.10	624.62	167.31

Note: The final results of the above impact on the Company's operating results will be subject to the annual audit report issued by the accounting firm.

The total expenses arising from the share incentive plan will be charged to recurring profit or loss. Based on the current situation, the Company estimates that the amortisation of the expenses under the Scheme will affect the net profit of each year during the Validity Period without considering the stimulating effect of the Scheme on the Company's performance. Taking into consideration the positive effects of the Incentive Scheme to the Company's development, such as boosting the enthusiasm of the management team and improving the operating efficiency, the performance improvement of the Company brought by the Incentive Scheme will significantly outweigh the increase in expenses incurred by it.

By Order of the Board
China Aluminum International Engineering Corporation Limited
TAO Fulun
Joint Company Secretary

Beijing, the PRC, 29 July 2024

As at the date of this announcement, the non-executive directors are Mr. ZHANG Decheng and Mr. YANG Xu; the executive directors are Mr. LI Yihua, Mr. LIU Jing, Mr. LIU Dongjun and Ms. ZHAO Hongmei; and the independent non-executive directors are Mr. ZHANG Tingan, Mr. SIU Chi Hung and Mr. TONG Pengfang.