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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)**

## **INSIDE INFORMATION**

### **INTRODUCTION OF INVESTORS TO IMPLEMENT CAPITAL INCREASE THROUGH PUBLIC TENDER BY WHOLLY-OWNED SUBSIDIARIES**

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

CINF, Kunming Survey, Design Institute and SAMI, wholly-owned subsidiaries of the Company, intend to introduce investors to implement capital increase through public tender on GuangDong United Assets and Equity Exchange in order to further satisfy the needs of business development and enhance market competitiveness.

Upon completion of the Capital Increase, the Company will remain the controlling shareholder of CINF, Kunming Survey and Design Institute and SAMI and will not change the scope of the Company's consolidated financial statements, and CINF, Kunming Survey and Design Institute and SAMI will continue to be the controlled subsidiaries within the scope of the Company's consolidated financial statements.

The Capital Increase is subject to the determination of the investors, the amount of the capital increase and the proportion of the equity in the final capital increase, and it cannot be determined whether it constitutes a connected/related party transaction.

There is a risk that no potential investors will be solicited during the tender period of the Capital Increase, and the subsequent implementation is uncertain. The Company will fulfil the relevant approval procedures and information disclosure obligations in strict accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and other relevant provisions. Investors are advised to be aware of the investment risks.

## I. OVERVIEW OF THE CAPITAL INCREASE

In order to further satisfy the needs of business development and enhance market competitiveness, Changsha Engineering & Research Institute Limited for Nonferrous Metallurgy (hereinafter referred to as “**CINF**”), Kunming Survey and Design Institute Co., Ltd. of China Nonferrous Metals Industry (hereinafter referred to as “**Kunming Survey and Design Institute**”) and Shenyang Aluminum & Magnesium Engineering & Research Institute Co., Ltd. (hereinafter referred to as “**SAMI**”, together with **CINF** and **Kunming Survey and Design Institute**, the “**Target Companies**”), wholly-owned subsidiaries of China Aluminum International Engineering Corporation Limited (hereinafter referred to as the “**Company**”), intend to introduce strategic investors to implement capital increase with a scale between RMB1.5 billion to RMB3 billion through public tender on GuangDong United Assets and Equity Exchange (hereinafter referred to as the “**Capital Increase**”), and the capital contributors are external investors to be determined through public solicitation by the above-mentioned assets and equity exchange in accordance with the rules for public tender and trading. The Capital Increase will maintain the Company’s shareholding in the three subsidiaries to be not less than 60% after the completion of the capital increase, and the amount of investment funds and the amount of registered capital increase ultimately obtained by the three subsidiaries shall be subject to the capital increase result determined by the assets and equity exchange in accordance with the rules for public tender and trading.

The Company held the twenty-second meeting of the fourth session of the Board of Directors on 26 August 2024, and approved the Proposal on Introducing Investors to Implement Capital Increase Through Public Tender by Wholly-Owned Subsidiaries with nine votes in favor, zero votes against and zero abstentions, and agreed that CINF, Kunming Survey and Design Institute and SAMI, the Company’s wholly-owned subsidiaries, would introduce investors to implement capital increase through public tender.

The Capital Increase is subject to the determination of the investors, the amount of the capital increase and the proportion of the equity in the final capital increase, and it cannot be determined whether it constitutes a connected/related party transaction.

## II. BASIC INFORMATION OF THE TARGET COMPANIES

### (I) Changsha Engineering & Research Institute Limited for Nonferrous Metallurgy

Unified social credit code	:	91430000183765064G
Type of enterprise	:	limited liability company (sole proprietorship of legal person not invested or controlled by natural persons)
Registered capital	:	RMB736,796,500
Legal representative	:	Tan Ronghe
Registered address	:	No. 299, Mulian East Road, Yuhua District, Changsha
Date of establishment	:	18 November 1991
Business scope	:	consulting, design and general contracting within the scope of metallurgical industry, coal industry, construction industry, municipal industry, machinery industry, commerce, supplies and food industry, building materials industry, electric power industry, chemical, petrochemical and pharmaceutical industry, environmental engineering qualification; scientific research of the above engineering projects and sales of equipment and materials; geotechnical engineering, engineering survey, engineering investigation within the scope of solid mineral exploration qualification; urban and rural planning, environmental impact assessment of construction projects, engineering cost consulting; pressure vessel design, pressure pipeline design; to undertake the survey, consultation, design and supervision of foreign (overseas) projects within the scope of qualification and the export of equipment and materials required for the above-mentioned projects; to contract foreign engineering projects that are compatible with its strength, scale and performance, and to dispatch labor personnel necessary for the implementation of the above-mentioned overseas projects; lease of self-owned properties. (For items subject to approval according to law, business activities can only be carried out after approval by relevant departments.)
Shareholding structure	:	CINF is a wholly-owned subsidiary of the Company

Key financial indicators are set out below:

*Unit: '0,000*

<b>Key Financial Indicators</b>	<b>2023/31 December 2023 (audited)</b>	<b>2022/31 December 2022 (unaudited)</b>	<b>2021/31 December 2021 (unaudited)</b>
Total assets	372,346.94	377,592.71	372,765.57
Net assets	120,227.98	148,263.22	135,066.97
Operating income	216,431.20	244,807.74	255,214.58
Net profit	-22,797.53	10,606.73	-2,376.05

*Note:* The 100% equity interest in China Nonferrous Metals Changsha Investigation and Design Research Institute Co., Ltd. (hereinafter referred to as **Changkan Institute**) has been transferred to CINF, and the above financial data are the data after the merger of Changkan Institute.

**(II) Kunming Survey and Design Institute Co., Ltd. of China Nonferrous Metals Industry**

Unified social credit code	:	91530000216525578C
Type of enterprise	:	limited liability company (sole proprietorship of legal person not invested or controlled by natural persons)
Registered capital	:	RMB208,500,000
Legal representative	:	Zou Guofu
Registered address	:	No. 1, Dongfeng Lane, Dongfeng East Road, Kunming, Yunnan Province
Date of establishment	:	28 October 1992

Business scope : General items basic geological exploration; engineering and technology research and experimental development; project management services; satellite remote sensing application system integration; special equipment repair; instrument repair; computer and office equipment maintenance; business training (excluding education training, vocational skills training and other training that requires permission); engineering and technical services (except planning and management, survey, design and supervision); earthwork construction; mining machinery sales; mechanical and electrical equipment sales; geographic remote sensing information service; software development; information system integration services; soil and site restoration equipment manufacturing; mining machinery manufacturing; sales of soil and site restoration equipment; municipal facilities management; urban greening management; landscaping engineering construction; planning and design management; road cargo transport of general freight vehicles with a total mass of 4.5 tons and less (except network freight and dangerous goods); loading, unloading and handling; engineering cost consulting business; technical service, technology development, technology consultation, technology exchange, technology transfer, technology dissemination; metal ore sales; building materials sales; mining rights evaluation services; geological exploration technical services; land consolidation services; sales of special instruments for geological exploration and earthquake; general mechanical equipment installation services; machinery and equipment leasing (except for the items subject to approval according to law, independently carry out business activities according to law with the business license). Permitted items: construction engineering design; construction works; construction project survey; surveying and mapping services; mineral resources exploration; geological exploration of metallic and non-metallic mineral resources; geological hazard risk assessment; geological disaster control engineering survey; geological disaster control engineering design; geological disaster control engineering construction; construction project supervision; road transport of goods (excluding dangerous goods); construction professional work. (For items subject to approval according to law, business activities can only be carried out after approval by the relevant departments, and the specific business items shall be subject to the approval documents or licenses of the relevant departments.)

Shareholding structure : Kunming Survey and Design Institute is a wholly-owned subsidiary of the Company

Key financial indicators are set out below:

*Unit: '0,000*

Key Financial Indicators	2023/31	2022/31	2021/31
	December 2023 (audited)	December 2022 (audited and restated)	December 2021 (audited and restated)
Total assets	135,586.22	124,805.83	124,471.66
Net assets	45,516.70	42,226.11	40,323.58
Operating income	125,015.81	108,338.14	125,779.18
Net profit	4,231.76	4,175.00	4,221.37

**(III) Shenyang Aluminum & Magnesium Engineering & Research Institute Co., Ltd.**

Unified social credit code : 912101021176814954

Type of enterprise : limited liability company (sole proprietorship of legal person)

Registered capital : RMB510,743,216

Legal representative : Huang Fei

Registered address : No. 184, Heping North Street, Heping District, Shenyang, Liaoning Province

Date of establishment : 17 January 1991

Business scope : external dispatch of labor required for projects; typing and photocopying; non-ferrous and non-metallic mining; light metal smelting; non-ferrous metallurgy, construction engineering, metallurgy, municipal public utilities, chemical engineering, electric power, building materials engineering survey and design, consulting, supervision, project contracting and sales of equipment and materials; environmental assessment; automatic fire alarm, automatic fire extinguishing engineering design; computer hardware and software and complete sets of equipment, non-standard equipment, environmental protection, power supply and distribution, industrial automation system and building intelligent system technology development and sales, technical consulting, service, technology transfer and commissioning; survey, consultation, design and supervision of foreign and domestic foreign-funded projects; contracting of overseas projects and domestic international bidding projects and export of required equipment and materials; lease of properties; binding, printing; import and export of goods or technologies (except those prohibited by the State or involving administrative approval); design, production, release and agency of all kinds of advertisements at home and abroad. Publication and distribution of Light Metals magazine; conference services. (For items subject to approval according to law, business activities can only be carried out after approval by relevant departments.)

Shareholding structure : SAMI is a wholly-owned subsidiary of the Company

Key financial indicators are set out below:

*Unit: '0,000*

<b>Key Financial Indicators</b>	<b>2023/31 December 2023 (audited)</b>	<b>2022/31 December 2022 (audited)</b>	<b>2021/31 December 2021 (audited)</b>
Total assets	159,773.21	146,645.21	133,002.70
Net assets	61,495.40	64,322.81	61,993.71
Operating income	92,027.81	125,442.18	47,016.00
Net profit	3,933.36	9,653.41	1,599.41

### **III. BASIC INFORMATION OF THE CAPITAL CONTRIBUTORS**

The Capital Increase is the introduction of investors through public tender on Guangdong United Assets and Equity Exchange. At present, it is not possible to determine the capital contributors. The Company will disclose the capital contributors and relevant subsequent progress in a timely manner according to the progress of public tender.

### **IV. MAIN CONTENTS OF THE CAPITAL INCREASE**

#### **(I) Method of Capital Increase**

CINF, Kunming Survey and Design Institute and SAMI, the Company's wholly-owned subsidiaries, intend to introduce investors through public tender on Guangdong United Assets and Equity Exchange.

After the Capital Increase, the Company's direct shareholding in the three Target Companies will not be less than 60%.

#### **(II) Initial Bidding Price**

According to the Asset Appraisal Report issued by Beijing Guorong Xinghua Asset Appraisal Company Limited and filed with Aluminum Corporation of China, as at the valuation reference date, i.e. 31 December 2023, the appraised value of the entire equity interest of CINF was RMB1,997,243,300, the appraised value of the entire equity interest of Kunming Survey and Design Institute was RMB850,724,700, and the appraised value of the entire equity interest of SAMI was RMB984,155,200.

The price of the Capital Increase is based on the appraised value of 100% equity interest in the above Target Companies filed with the competent unit of state-owned assets. The price of RMB1 registered capital of the Target Companies subscribed by the investor in the Capital Increase shall not be lower than the appraised value of 100% equity interest in the existing Target Companies/registered capital of the Target Companies. The final price of the Capital Increase shall be based on the actual transaction price which is not lower than the initial bidding price depending on the results of the bidding.



### **(III) Form of Capital Contribution**

The Capital Increase is carried out by way of monetary funds.

### **(IV) Qualifications of Investors**

Investor in the Capital Increase must meet the following main qualifications: is a legal person or other economic organization established and validly existing in accordance with the law, has good financial status, business reputation and payment ability, and is conducive to the subsequent development of the Target Companies. The specific qualifications shall be subject to the listing announcement posted on the GuangDong United Assets and Equity Exchange.

### **(V) Shareholding Structure of the Target Companies Before and After the Capital Increase**

Before the introduction of investors in the Capital Increase, the Company directly holds 100% equity interest in the three Target Companies; if the introduction of investors in the Capital Increase can be successfully implemented, the proportion of equity interest directly held by the Company in the Target Companies will be no less than 60%, and the Company will remain the controlling shareholder of the three Target Companies.

## **V. IMPACT OF THE CAPITAL INCREASE ON THE COMPANY**

1. The Capital Increase is conducive to meeting the long-term development strategy of the three Target Companies, enhancing the Company's profitability, accelerating the transformation of the Company's business structure, consolidating the basis of the Company's development, and enhancing its core competitiveness, which is in line with the interests of all shareholders.
2. Upon completion of the Capital Increase, the Company will remain the controlling shareholder of CINF, Kunming Survey and Design Institute and SAMI and will not change the scope of the Company's consolidated financial statements, and CINF, Kunming Survey and Design Institute and SAMI will continue to be the controlled subsidiaries within the scope of the Company's consolidated financial statements.

## **VI. IMPORTANT RISK REMINDER**

There is a risk that no potential investors will be solicited during the tender period of the Capital Increase, and the subsequent implementation is uncertain. The Company will fulfil the relevant approval procedures and information disclosure obligations in strict accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and other relevant provisions. Investors are advised to be aware of the investment risks.

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

Beijing, the PRC, 26 August 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.*