



鑫仁铝业 **XINREN ALUMINUM HOLDINGS LIMITED** (Company Registration No. 200612545H)

**UNAUDITED FINANCIAL STATEMENTS FOR THE THIRD QUARTER AND NINE MONTHS
ENDED 30 SEPTEMBER 2015**

The Board of Directors of XinRen Aluminum Holdings Limited (the "Company") is pleased to announce the consolidated results for the third quarter and nine months ended 30 September 2015. The figures below have not been audited or reviewed by the auditors of the Company.

The Company is an investment holding and trading company and the Group is engaged primarily in the manufacturing of aluminum ingots through the smelting process, and the fabricating and trading of aluminum-related products.

The Company owns 51% of Xinjiang Production and Construction Corps Agricultural Division Eight Xinjiang Tianshan Aluminum Plant Co., Ltd. ("Xinjiang Plant"). This large-scale, coal powered primary aluminum smelter in Xinjiang Province enjoys the benefits of a fully integrated value chain and has one of the most efficient cost structures in the industry.

The Company is set to increase its lead as an integrated upstream aluminum producer as Xinjiang Plant continues to expand its capacity and sharpen its cost competitiveness. This mega facility has acquired an ultra-large coal mine that will supply its in-fence power plant, and is in the midst of constructing a carbon anode plant.

The consolidated financial statements are presented in Chinese Renminbi ("RMB") and all values in the tables are rounded to the nearest thousand (RMB'000) as indicated.

1(a)(i) A Consolidated Income Statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group					
	Third Quarter Ended 30-09-15 RMB'000 Unaudited	30-09-14 RMB'000 Unaudited (restated)	+/(-) %	Nine Months Ended 30-09-15 RMB'000 Unaudited	30-09-14 RMB'000 Unaudited (restated)	+/(-) %
Revenue	7,571,176	5,035,253	50.4	21,611,877	8,154,653	165.0
Cost of sales	(7,350,885)	(4,548,680)	61.6	(20,594,406)	(7,697,786)	167.5
Gross profit	220,291	486,573	(54.7)	1,017,471	456,867	122.7
Other items of income						
Finance income	14,467	13,806	4.8	36,743	23,450	56.7
Other income	85,119	338,707	(74.9)	258,971	399,564	(35.2)
Other items of expense						
Selling and distribution expenses	(44,955)	(69,922)	(35.7)	(203,587)	(89,684)	127.0
Administrative expenses	(29,049)	(33,865)	(14.2)	(118,600)	(72,791)	62.9
Finance costs	(80,996)	(56,007)	44.6	(221,409)	(101,998)	117.1
Other expenses	(664)	(33,523)	(98.0)	(2,538)	(34,246)	(92.6)
Share of result of a jointly controlled entity (Note 1)	-	-	-	-	73,183	(100.0)
Profit before income tax	164,213	645,769	(74.6)	767,051	654,345	17.2
Income tax expense	(32,989)	(205,015)	(83.9)	(186,682)	(184,985)	0.9
Profit after income tax	131,224	440,754	(70.2)	580,369	469,360	23.7
Profit attributable to:						
Equity holders of the Company	43,204	224,572	(80.8)	219,123	253,178	(13.5)
Non-controlling interest	88,020	216,182	(59.3)	361,246	216,182	67.1
	131,224	440,754		580,369	469,360	

Note 1: Share of result of jointly controlled entity is after tax.

1(a)(ii) A Consolidated Statement of Comprehensive Income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group					
	Third Quarter Ended 30/9/2015 RMB'000 Unaudited	30/9/2014 RMB'000 Unaudited (restated)	+/(-) %	Nine Months Ended 30/9/2015 RMB'000 Unaudited	30/9/2014 RMB'000 Unaudited (restated)	+/(-) %
Profit after income tax	131,224	440,754	(70.2)	580,369	469,360	23.7
Other comprehensive income:						
Foreign currency translation	(214,624)	(21)	n.m	(210,034)	(9,362)	2,143.5
Other comprehensive loss for the period	(214,624)	(21)	n.m	(210,034)	(9,362)	2,143.5
Total comprehensive (loss)/income for the period	(83,400)	440,733	n.m	370,335	459,998	(19.5)
Total comprehensive (loss)/income attributable to:						
Equity holders of the Company	(157,595)	224,551	n.m	22,914	243,816	(90.6)
Non-controlling interest	74,195	216,182	(65.7)	347,421	216,182	60.7
	(83,400)	440,733	n.m	370,335	459,998	(19.5)

1(a)(iii) Notes to the Consolidated Income Statement

The following items have been included in arriving at profit before income tax:

	Group					
	Third Quarter Ended			Nine Months Ended		
	30/9/2015	30/9/2014	+/(-) %	30/9/2015	30/9/2014	+/(-) %
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
	Unaudited	Unaudited		Unaudited	Unaudited	
Other income:						
Government subsidy (note 1)	37,033	264,804	(86.0)	170,718	270,371	(36.9)
Sale of scraps	1,929	2,359	n.m	12,006	3,744	220.7
Gain on disposal of a subsidiary	-	-	-	-	27,948	(100.0)
Gain on remeasuring existing equity interest in a jointly controlled entity upon acquisition	-	59,507	(100.0)	-	59,507	(100.0)
Gain on disposal of property, plant and equipment	-	54	(100.0)	-	54	(100.0)
Foreign exchange gain	41,243	(3,227)	n.m	57,242	6,725	751.2
Arrangement fee	-	-	-	-	12,133	(100.0)
Reversal of impairment of inventories	-	-	-	13,350	-	n.m
Others	4,914	15,210	(67.7)	5,655	19,082	(70.4)
Other expenses						
Others	(664)	(33,523)	(98.0)	(2,538)	(34,246)	(92.6)
Finance income						
Interest income	14,467	13,806	4.8	36,743	23,450	56.7
Finance expense:						
Interest expense	(10,473)	(47,618)	(78.0)	(36,481)	(66,859)	(45.4)
Interests on convertible bonds	(10,873)	-	n.m	(10,873)	-	n.m
Accretion of finance lease liabilities	(28,921)	(16,310)	77.3	(66,674)	(16,310)	308.8
Accretion of discount related to payables arising from acquisition of a subsidiary (note 2)	(16,036)	(21,091)	n.m	(68,991)	(21,091)	100.0
Bank charges and discount charges for notes receivables	(14,693)	(8,389)	75.1	(38,390)	(35,139)	9.3
Amortisation of deferred income of financial lease (note 3)	22,851	-	n.m	47,939	-	n.m
Amortisation of intangible assets	(31,874)	(31,170)	2.3	(96,598)	(31,170)	209.9
Amortisation of land use rights	(2,543)	(4,070)	(37.5)	(11,154)	(4,563)	144.4
Depreciation of property, plant and equipment	(186,448)	(116,226)	60.4	(487,023)	(158,798)	206.7
Staff costs	(89,970)	(74,254)	21.2	(279,592)	(109,727)	154.8

n.m- not meaningful

Notes:

- These relate to: (i) freight allowance provided by the local government; and (ii) other subsidies provided by the local government on income earned by the Group's subsidiaries.
- Payables arising from the acquisition of the 30% equity interest in China Leading International Limited ("CLI") were measured at fair value at the date of acquisition and the difference between the fair value and the acquisition cost is amortised over the payment period.
- The Group sold certain electrobathtubs and immediately leased back these electrobathtubs from the buyer. Since the Group did not dispose of the risks and rewards of ownership of the electrobathtubs, the lease was classified as a finance lease. The difference between the sale price and the previous carrying amount of the assets is deferred and amortised over the lease term.

1(b)(i) A Consolidated Statement of Financial Position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	30/9/2015	31/12/2014	30/9/2015	31/12/2014
	RMB'000	RMB'000	RMB'000	RMB'000
	Unaudited	Audited	Unaudited	Audited
Non-current assets		(restated)		
Property, plant and equipment	17,853,665	16,202,903	-	217
Land use rights	802,319	812,164	-	-
Intangible assets	4,607,768	4,704,366	-	-
Investments in subsidiaries	-	-	6,468,826	5,691,127
Deferred income tax assets	141,428	98,974	6,538	252
	23,405,180	21,818,407	6,475,364	5,691,596
Current assets				
Inventories	1,471,300	1,504,792	-	-
Prepayments	2,942,861	2,745,342	-	-
Amounts due from related parties	134,414	172,902	-	-
Amounts due from subsidiaries	-	-	1,197,477	752,035
Amounts due from directors	32,198	24,609	-	-
Income tax receivable	3,359	10,194	-	-
Trade and other receivables	2,705,549	1,954,412	524,583	442,421
Restricted cash	5,117,846	1,933,562	48,270	-
Cash and cash equivalents	258,721	313,913	1,784	40,604
	12,666,248	8,659,726	1,772,114	1,235,060
Current liabilities				
Borrowings	4,361,173	4,475,096	1,445,265	1,029,606
Payables arising from acquisition of a subsidiary	52,734	52,734	-	-
Trade and other payables	11,935,162	8,623,112	16,351	4,280
Advances from customers	1,524,615	1,335,431	-	-
Finance lease liabilities	264,206	265,129	-	-
Income tax payable	133,946	99,488	1,418	1,163
	18,271,836	14,850,990	1,463,034	1,035,049
Net current (liabilities)/assets	(5,605,588)	(6,191,264)	309,080	200,011
Non-current liabilities				
Deferred income tax liabilities	1,019,724	987,573	-	-
Deferred income	300,411	356,701	-	-
Loan from non-controlling interests (Note 1)	2,035,900	-	2,035,900	-
Convertible bonds (Note 2)	804,510	-	804,510	-
Derivative liabilities (Note 2)	135,084	-	135,084	-
Payables arising from acquisition of a subsidiary	1,078,467	3,030,216	1,078,467	3,030,216
Borrowings	1,577,708	376,876	-	-
Finance lease liabilities	749,978	801,495	-	-
Advances from customers	4,198,116	4,485,435	1,643,125	1,677,785
	11,899,898	10,038,296	5,697,086	4,708,001
Net assets	5,899,694	5,588,847	1,087,358	1,183,606
Equity attributable to equity holders of the Company				
Share capital	995,377	995,377	995,377	995,377
Treasury shares	(12,483)	(12,483)	(12,483)	(12,483)
Retained profits	1,389,668	1,236,395	126,185	199,618
Other reserves	(36,902)	152,945	(21,721)	1,094
	2,335,660	2,372,234	1,087,358	1,183,606
Non-controlling interests	3,564,034	3,216,613	-	-
Total equity	5,899,694	5,588,847	1,087,358	1,183,606

1(b)(ii) Aggregate amount of Group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

	30/9/2015		31/12/2014	
	Secured RMB'000 Unaudited	Unsecured RMB'000 Unaudited	Secured RMB'000 Audited	Unsecured RMB'000 Audited
Borrowings	4,361,173	-	3,851,776	623,320
Finance lease liabilities	264,206	-	265,129	-
	<u>4,625,379</u>	<u>-</u>	<u>4,116,905</u>	<u>623,320</u>

Amount repayable after one year

	30/9/2015		31/12/2014	
	Secured RMB'000 Unaudited	Unsecured RMB'000 Unaudited	Secured RMB'000 Audited	Unsecured RMB'000 Audited
Loan from non-controlling interests	-	2,035,900	-	-
Convertible bonds	804,510	-	-	-
Borrowings	1,577,708	-	276,876	100,000
Finance lease liabilities	749,978	-	801,495	-
	<u>3,132,196</u>	<u>2,035,900</u>	<u>1,078,371</u>	<u>100,000</u>

Details of any collateral

Convertible bonds, borrowings and finance lease liabilities are secured by charges over restricted cash, land use rights and buildings, inventories and plant and machinery, and/or guarantees by directors of the Company and its subsidiaries.

Notes:

- 1) After repayment of the payables arising from acquisition of a subsidiary of RMB2,016 million by using the proceeds from convertible bonds as well as the long-term senior loan to the vendors and vendors have then subsequently on-lent the RMB2,016 million to the Group to fund the capital expenditure of Xinjiang Plant. Such borrowing was recorded as "Loan from non-controlling interests" on the statement of financial position.
- 2) In 3Q2015, the Company issued convertible bonds of USD\$150 million. The embedded derivatives which include the conversion option, the Company's call option, the holders' redemption option and early redemption rights were bifurcated and recognised at fair value on the statement of financial position. The debt portion was initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

1(c) A Consolidated Statement of Cash Flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group			
	Third Quarter Ended 30/9/2015 RMB'000 Unaudited	30/9/2014 RMB'000 Unaudited (restated)	Nine Months Ended 30/9/2015 RMB'000 Unaudited	30/9/2014 RMB'000 Unaudited (restated)
Cash flow from operating activities				
Profit before income tax	164,213	645,769	767,051	654,345
Adjustments for:				
Depreciation of property, plant and equipment	186,448	116,226	487,023	158,798
Gain on disposal of a subsidiary	-	-	-	(27,948)
Gain on remeasuring existing equity interest in a jointly controlled entity upon acquisition	-	(59,507)	-	(59,507)
Gain on disposal of property, plant and equipment	-	(54)	-	(54)
Accretion of financial lease liabilities	28,921	16,310	66,674	16,310
Amortisation of deferred income of finance lease	(22,851)	-	(47,939)	-
Amortisation of land use rights	2,543	4,070	11,154	4,563
Amortisation of intangibles	31,874	31,170	96,598	31,170
Amortisation of discount related to payable arising from acquisition of a subsidiary	16,036	21,091	68,991	21,091
Accretion of deferred income	(2,784)	(177,641)	(8,351)	(177,641)
Reversal of impairment of inventories	-	-	(13,350)	-
Unrealised exchange(gain)/ loss	(35,547)	1,987	(52,520)	(9,762)
Exchange realignment	(94,552)	(2,631)	(76,495)	295
Share of profit in a jointly controlled entity	-	-	-	(73,183)
Interest income	(14,467)	(13,806)	(36,743)	(23,450)
Bank charges and discount fee for notes receivables	14,693	8,389	38,390	35,138
Interest on convertible bonds	10,873	-	10,873	-
Interest expense	10,473	47,618	36,481	66,859
Operating profit before changes in working capital	295,873	638,991	1,347,837	617,024
Decrease /(increase) in inventories	78,886	(99,198)	46,842	(158,869)
Decrease /(increase) in prepayments	176,218	(347,497)	(197,520)	(365,873)
Decrease /(increase) in amounts due from directors and related parties	26,520	(85,117)	30,899	(16,563)
(Increase)/ decrease in trade and other receivables	(711,602)	1,772,900	(751,137)	1,327,174
Decrease in amounts due from/(to) a jointly controlled entity	-	1,151,272	-	50,318
Increase /(decrease) in trade and other payables	636,807	(3,397,161)	3,339,463	(2,669,065)
(Decrease)/increase in advances from customers	(511,191)	1,036,207	(98,133)	1,017,659
Cash (used in)/generated from operating activities	(8,489)	670,397	3,718,251	(198,195)
Interest income received	14,467	13,806	36,743	23,450
Interest expense paid	(25,166)	(56,007)	(74,871)	(101,997)
Tax paid	(48,117)	(38,310)	(155,691)	(40,075)
Net cash (used in)/generated from operating activities	(67,305)	589,886	3,524,432	(316,817)
Cash flows from investing activities				
Purchase of property, plant and equipment	(1,162,865)	(983,101)	(2,128,721)	(1,008,272)
Purchase of intangible assets	-	(57,988)	(1,315)	(57,988)
Proceed from disposal of property, plant and equipment	-	220	-	220
Net cash inflow from acquisition of subsidiaries	-	82,791	-	82,791
Proceeds from non controlling interest contribution to a subsidiary	-	15,000	-	15,000
Proceed from disposal of a subsidiary	-	-	-	237,155
Payment for acquisition of a subsidiary	(2,016,280)	-	(2,016,280)	-
Payment of investment in a jointly controlled entity	-	-	-	(572,084)
Net cash used in investing activities	(3,179,145)	(943,078)	(4,146,316)	(1,303,178)

1(c) A Consolidated Statement of Cash Flows – continued

	Group			
	Third Quarter Ended		Nine Months Ended	
	30/9/2015	30/9/2014	30/9/2015	30/9/2014
	RMB'000	RMB'000	RMB'000	RMB'000
	Unaudited	Unaudited (restated)	Unaudited	Unaudited (restated)
Cash flow from financing activities				
Dividend paid on ordinary shares	-	-	(59,488)	-
Proceeds from issuance of convertible bonds and long-term senior loans, net	2,124,044	-	2,124,044	-
Proceeds from sale and leaseback transactions	112,977	467,750	112,977	467,750
Repayments of financial lease	(93,868)	(73,656)	(269,113)	(73,656)
Purchase of treasury shares	-	-	-	(5,556)
Proceeds from loan from non-controlling interests	2,035,900	-	2,035,900	-
Proceeds from loans and borrowings	992,238	906,702	3,770,320	1,443,046
Repayments of loans and borrowings	(1,026,054)	(878,400)	(3,965,283)	(1,276,285)
(Increase)/ decrease in restricted cash	(771,968)	133,983	(3,184,284)	(323,519)
Net cash generated from financing activities	3,373,269	556,379	565,073	231,780
Net increase/(decrease) in cash and cash equivalents	126,819	203,187	(56,811)	(1,388,215)
Effects of exchange rate changes on cash and cash equivalents	1,654	2	1,619	(157)
Cash and cash equivalents at beginning of the period	130,248	90,721	313,913	1,682,282
Cash and cash equivalents at end of the period	258,721	293,910	258,721	293,910

1(d)(i) A Statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Attributable to Equity Holders of the Parent					Non-controlling interest	Total equity
	Share capital	Treasury shares	Retained profits	Other reserves	Total reserves		
Group	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2014 (restated)	995,377	(6,927)	831,572	251,648	1,083,220	-	2,071,670
Purchase of treasury shares	-	(5,556)	-	-	-	-	(5,556)
Realisation of reserve upon disposal of a subsidiary	-	-	148,690	(148,690)	-	-	-
Profit for the period (restated)	-	-	17,293	-	17,293	-	17,293
Other comprehensive loss for the period	-	-	-	(9,195)	(9,195)	-	(9,195)
Total comprehensive income/(loss) for the period	-	-	17,293	(9,195)	8,098	-	8,098
Appropriation to special reserve	-	-	(1,885)	1,885	-	-	-
Balance at 31 March 2014 (restated)	995,377	(12,483)	995,670	95,648	1,091,318	-	2,074,212
Profit for the period (restated)	-	-	11,313	-	11,313	-	11,313
Other comprehensive loss for the period	-	-	-	(146)	(146)	-	(146)
Total comprehensive income/(loss) for the period	-	-	11,313	(146)	11,167	-	11,167
Appropriation to special reserve	-	-	(1,870)	1,870	-	-	-
Balance at 30 June 2014 (restated)	995,377	(12,483)	1,005,113	97,372	1,102,485	-	2,085,379
Acquisition of subsidiaries	-	-	-	-	-	2,829,845	2,829,845
Profit for the period (restated)	-	-	224,572	-	224,572	216,182	440,754
Other comprehensive loss for the period	-	-	-	(21)	(21)	-	(21)
Total comprehensive income/(loss) for the period	-	-	224,572	(21)	224,551	216,182	440,733
Appropriation to special reserve	-	-	(3,237)	5,447	2,210	(2,210)	-
Balance at 30 September 2014 (restated)	995,377	(12,483)	1,226,448	102,798	1,329,246	3,043,817	5,355,957
Balance at 1 January 2015	995,377	(12,483)	1,236,395	152,945	1,389,340	3,216,613	5,588,847
Profit for the period	-	-	98,053	-	98,053	133,868	231,921
Other comprehensive loss for the period	-	-	-	(18,331)	(18,331)	-	(18,331)
Total comprehensive income/(loss) for the period	-	-	98,053	(18,331)	79,722	133,868	213,590
Appropriation to special reserve	-	-	(890)	890	-	-	-
Balance at 31 March 2015	995,377	(12,483)	1,333,558	135,504	1,469,062	3,350,481	5,802,437
Profit for the period	-	-	77,866	-	77,866	139,358	217,224
Dividend on ordinary shares	-	-	(59,488)	-	(59,488)	-	(59,488)
Other comprehensive income for the period	-	-	-	22,921	22,921	-	22,921
Total comprehensive income for the period	-	-	18,378	22,921	41,299	139,358	180,657
Appropriation to special reserve	-	-	(4,342)	4,342	-	-	-
Balance at 30 June 2015	995,377	(12,483)	1,347,594	162,767	1,510,361	3,489,839	5,983,094
Profit for the period	-	-	43,204	-	43,204	88,020	131,224
Other comprehensive loss for the period	-	-	-	(200,799)	(200,799)	(13,825)	(214,624)
Total comprehensive income/(loss) for the period	-	-	43,204	(200,799)	(157,595)	74,195	(83,400)
Appropriation to special reserve	-	-	(1,130)	1,130	-	-	-
Balance at 30 September 2015	995,377	(12,483)	1,389,668	(36,902)	1,352,766	3,564,034	5,899,694

1(d)(i) A Statement of Changes in Equity – continued

	Attributable to Equity Holders of the Parent					
	Share Capital RMB'000	Treasury Shares RMB'000	Revenue Reserve RMB'000	Other Reserves RMB'000	Total Reserves RMB'000	Total Equity RMB'000
Company						
Balance at 1 January 2014 (restated)	995,377	(6,927)	180,544	(14,014)	166,530	1,154,980
Purchase of treasury shares	-	(5,556)	-	-	-	(5,556)
Loss for the period (restated)	-	-	(11,427)	-	(11,427)	(11,427)
Other comprehensive loss for the period	-	-	-	(7,123)	(7,123)	(7,123)
Total comprehensive loss for the period	-	-	(11,427)	(7,123)	(18,550)	(18,550)
Balance at 31 March 2014 (restated)	995,377	(12,483)	169,117	(21,137)	147,980	1,130,874
Profit for the period (restated)	-	-	1,376	-	1,376	1,376
Other comprehensive loss for the period	-	-	-	(97)	(97)	(97)
Total comprehensive income/(loss) for the period	-	-	1,376	(97)	1,279	1,279
Balance at 30 June 2014 (restated)	995,377	(12,483)	170,493	(21,234)	149,259	1,132,153
Loss for the period (restated)	-	-	(15,248)	-	(15,248)	(15,248)
Other comprehensive income for the period	-	-	-	764	764	764
Total comprehensive (loss) /income for the period	-	-	(15,248)	764	(14,484)	(14,484)
Balance at 30 September 2014 (restated)	995,377	(12,483)	155,245	(20,470)	134,775	1,117,669
Balance at 1 January 2015	995,377	(12,483)	199,618	1,094	200,712	1,183,606
Loss for the period	-	-	(30,705)	-	(30,705)	(30,705)
Other comprehensive loss for the period	-	-	-	(14,260)	(14,260)	(14,260)
Total comprehensive loss for the period	-	-	(30,705)	(14,260)	(44,965)	(44,965)
Balance at 31 March 2015	995,377	(12,483)	168,913	(13,166)	155,747	1,138,641
Loss for the period	-	-	(36,458)	-	(36,458)	(36,458)
Dividend on ordinary shares	-	-	(59,488)	-	(59,488)	(59,488)
Other comprehensive income for the period	-	-	-	17,672	17,672	17,672
Total comprehensive (loss)/income for the period	-	-	(95,946)	17,672	(78,274)	(78,274)
Balance at 30 June 2015	995,377	(12,483)	72,967	4,506	77,473	1,060,367
Profit for the period	-	-	53,218	-	53,218	53,218
Other comprehensive loss for the period	-	-	-	(26,227)	(26,227)	(26,227)
Total comprehensive income/(loss) for the period	-	-	53,218	(26,227)	26,991	26,991
Balance at 30 September 2015	995,377	(12,483)	126,185	(21,721)	104,464	1,087,358

1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

During the nine months ended 30 September 2015, there were no changes to the total number of 1,303,567,528 issued ordinary shares of the Company (the "Shares") excluding treasury shares.

The holders of the Shares (other than treasury shares) are entitled to receive dividends as and when declared by the Company. All Shares (other than treasury shares) carry one vote per share without restriction. The Shares do not have par value.

The Company issued an aggregate principal amount of US\$150,000,000 in 8.0 per cent Convertible Bonds on 27 August 2015 which remain outstanding as at 30 September 2015 (30 September 2014: Nil) :

Principal Amount	Maturity Year	Conversion Price	Convertible into new ordinary shares
US\$150 million	2020	S\$1.01	196,929,568

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and at as the end of the immediately preceding year.

	As at 30 September 2015	As at 31 December 2014	As at 30 September 2014
Number of issued shares excluding treasury shares :	1,303,567,528	1,303,567,528	1,303,567,528
Number of treasury shares held :	6,980,000	6,980,000	6,980,000

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There was no sale, transfer, disposal, cancellation and/or use of treasury shares by the Company as at 30 September 2015.

2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.

The financial statements presented above have not been audited or reviewed by the Company's auditor.

3. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed in section 5 below, there were no changes in accounting policies and methods of computation in the consolidated financial statements for the current reporting period as compared to the most recently audited consolidated financial statements for the financial year ended 31 December 2014.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has applied the same accounting policies and methods of computation in the preparation of the consolidated financial statements for the current reporting period compared with the audited financial statements as at 31 December 2014, except for the adoption of new or revised FRS that are mandatory for financial years beginning on or after 1 January 2015. The adoption of these FRS has no significant impact on the Group's consolidated financial statements.

6. **Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

The calculation of basic earnings per share is based on the Group's profit after income tax attributable to equity holders of the Company for the respective periods divided by:

- (a) the total number of issued Shares of the Company of 1,303,567,528 Shares excluding treasury shares as at 30 September 2015; and
- (b) the total weighted average number of issued shares of the Company of 1,304,501,044 shares excluding treasury shares as at 30 September 2014.

	Group			
	Third Quarter Ended		Nine Months Ended	
	30/9/2015	30/9/2014	30/9/2015	30/9/2014
	Unaudited	Unaudited (restated)	Unaudited	Unaudited (restated)
Profit after income tax attributable to equity holders of the Company (RMB'000)	43,204	224,572	219,123	253,178
Basic earnings per share (RMB cents)	3.31	17.22	16.81	19.41

The outstanding convertible bonds were not included in the calculation of diluted earnings per share as they are anti-dilutive for the current period and there were no potential dilutive options for the corresponding periods.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury of shares of the issuer at the end of the:

- (a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	30/9/2015 Unaudited	31/12/2014 Unaudited	30/9/2015 Unaudited	31/12/2014 Unaudited
Net asset value (RMB'000)	2,321,834	2,372,234	1,087,358	1,183,606
Net asset value per share (RMB cents)	178.11	181.98	83.41	90.80

The calculation of net asset value per share is based on the net asset value as at the end of respective periods divided by the total number of issued shares of the Company of 1,303,567,528 Shares (31 December 2014: 1,303,567,528 Shares) excluding treasury shares.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Third Quarter Ended 30 September 2015 ("3Q2015") vs Third Quarter Ended 30 September 2014 ("3Q2014")

Nine Months Ended 30 September 2015 ("9M2015") vs Nine Months Ended 30 September 2014 ("9M2014")

Revenue (excluding all inter-segment transactions)

	Group					
	Third Quarter Ended			Nine Months Ended		
	30/9/2015 RMB'000 Unaudited	30/9/2014 RMB'000 Unaudited (restated)	+/(-) %	30/9/2015 RMB'000 Unaudited	30/9/2014 RMB'000 Unaudited (restated)	+/(-) %
Smelting	2,956,792	2,633,402	12.3	9,658,334	3,334,016	189.7
Fabrication	104,184	136,894	(23.9)	308,095	354,678	(13.1)
Trading	4,510,200	2,264,957	99.1	11,645,448	4,465,959	160.8
	<u>7,571,176</u>	<u>5,035,253</u>	50.4	<u>21,611,877</u>	<u>8,154,653</u>	165.0

The Group's revenue increased by approximately 165.0% to RMB21,612 million in 9M2015 from RMB8,155 million in 9M2014. On a quarterly basis, the Group's revenue for 3Q2015 increased by approximately 50.4% to RMB7,571 million from RMB5,035 million in 3Q2014. The increase in revenue was largely due to (i) the consolidation of the Group's 51%-owned subsidiary, CLI (which wholly owns Xinjiang Production and Construction Corps Agricultural Division Eight Xinjiang Tianshan Aluminum Plant Co., Ltd., or "Xinjiang Plant") since July 2014; (ii) higher smelting output from Xinjiang Plant; and (iii) higher trading sales.

The Group's revenue from the smelting segment increased by approximately 189.7% to RMB9,658 million in 9M2015 from RMB3,334 million in 9M2014. The increase was primarily due to (i) the consolidation of Xinjiang Plant's results into the Group's financial statements from July 2014; and (ii) higher sales volume from Xinjiang Plant.

The Group's revenue from the fabrication segment decreased by approximately 13.1% to RMB308 million in 9M2015 from RMB355 million in 9M2014. The decrease in revenue was largely because the sales volume of fabricated aluminum products decreased from 28,800 metric tons ("MT") in 9M2014 to 23,600 MT in 9M2015.

The Group's revenue from the trading segment increased by approximately 160.8% to RMB11,645 million in 9M2015 from RMB4,466 million in 9M2014. The increase was mainly attributable to (i) expansion of the Group's customer base to cater for the increase in Xinjiang Plant's production capacity, which is expected to come on-stream in the ensuing quarters; and (ii) contribution from Xinjiang Plant as the Group started to consolidate its 51% stake in CLI from July 2014.

Gross profit margin

The Group's gross profit increased by 122.7% to RMB1,017 million in 9M2015 from RMB457 million in 9M2014. The increase in gross profit was mainly due to (i) Xinjiang Plant's relatively lower electricity costs as compared to other plants, as the electricity is self-supplied by its in-fence independent power plant with four fully operational power-generating units of 350MW each; and (ii) Xinjiang Plant's higher sales volume.

The gross profit margins in 9M2015 for the smelting and fabrication segments were 11.5% and 6.6% respectively, and the gross loss margin for the trading segment was 1.7%.

Profit before income tax (excluding all inter-segment transactions)

	Group					
	Third Quarter Ended			Nine Months Ended		
	9/30/2015	9/30/2014	+/(-) %	9/30/2015	9/30/2014	+/(-) %
	RMB'000	RMB'000		RMB'000	RMB'000	
	Unaudited	Unaudited		Unaudited	Unaudited	
Smelting (note 1)	252,962	617,427	59.0	930,595	545,982	(70.4)
Fabrication	(103)	29,699	n.m	4,074	37,279	(89.1)
Trading	(88,646)	(1,357)	6,432.5	(167,618)	(2,099)	7,885.6
Share of result of a jointly controlled entity	-	-	(100.0)	-	73,183	(100.0)
	<u>164,213</u>	<u>645,769</u>	<u>74.6</u>	<u>767,051</u>	<u>654,345</u>	<u>(17.2)</u>

Note:

- the higher profit before income tax of RMB617 million in 3Q2014 compared to RMB253 million in 3Q2015 was mainly attributable to (i) government investment incentives of approximately RMB232 million received by a subsidiary from the local government in 3Q2014; and (ii) higher aluminum selling price in 3Q2014.

The Group recorded a profit before income tax of RMB767million in 9M2015, largely because the smelting segment posted a higher profit contribution. Gains for this segment came from Xinjiang Plant, as its profit contribution rose on higher smelting output and lower production cost. However, the lower profit recorded in smelting segment in 3Q2015 resulted from the decrease in aluminium price as compared to corresponding period.

The higher loss incurred by the trading segment was due to the volatility of aluminum prices during 9M2015.

Selling and distribution expenses increased by approximately 127.0% to RMB204 million in 9M2015 from RMB90 million in 9M2014. The increase was mainly attributable to the inclusion of selling and distribution expenses of Xinjiang Plant from July 2014.

Administrative expenses increased by approximately 62.9% to RMB119 million in 9M2015 from RMB73 million in 9M2014, due to the inclusion of administrative expenses of Xinjiang Plant from July 2014.

Finance costs increased by approximately 117.1% to RMB221 million in 9M2015 from RMB102 million in 9M2014. The increase was mainly due to (i) interest cost of RMB67 million arising from finance lease liabilities for machinery leased by Xinjiang Plant; (ii) convertible bonds interest cost of RMB11 million; and (iii) amortisation of discount of RMB69 million related to payables arising from the acquisition of subsidiaries. Finance costs incurred by Xinjiang Plant were mostly capitalised as Xinjiang Plant is still expanding its smelting production capacity and in-fence power plant.

Other income decreased by approximately 35.2% to RMB259 million in 9M2015 from RMB400 million in 9M2014. The decrease was mainly due to (i) lower subsidies received from the local government; (ii) a gain of approximately RMB28 million from the disposal of Yichang Plant in 1Q2014; and (iii) a gain of approximately RMB59 million from remeasuring existing equity interest in CLI in 3Q2014.

Income tax expense

The increase in income tax expense was due mainly to higher taxable profit for Xinjiang Plant. However, the increase was partially offset by income tax credit resulting from the tax losses of some of the Group's subsidiaries that are expected to be realised in the near future.

Profit after income tax

Profit after income tax for the owners of the Company was lower than that of the non-controlling interests', mainly due to (i) losses incurred by some of the Group's wholly-owned subsidiaries; and (ii) non-cash items such as amortisation of discount related to payables arising from acquisition of subsidiaries during the period under review.

Review of Statement of Financial Position

Non-current assets increased by approximately 7.3% from RMB21,818 million as at 31 December 2014 to RMB23,405 million as at 30 September 2015. These assets consist of property, plant and equipment, land use rights, intangible assets, and deferred income tax assets. The increase in non-current assets was attributable primarily to the purchase/construction of property, plant and equipment in Xinjiang Plant.

Current assets

A slight decrease in inventories by RMB33 million from RMB1,505 million as at 31 December 2014 to RMB1,471 million as at 30 September 2015 was recorded.

Prepayments increased from RMB2,745 million as at 31 December 2014 to RMB2,943 million as at 30 September 2015. The increase was mainly due to the advance payments made for the purchase of raw materials.

Trade and other receivables increased from RMB1,954 million as at 31 December 2014 to RMB2,706 million as at 30 September 2015. The increase was primarily attributable to the increase in sales of aluminum products.

Restricted cash increased from RMB1,934 million as at 31 December 2014 to RMB5,118 million as at 30 September 2015. This was the result of more deposits being held as collateral for the bank loans taken as well as the increase in utilisation of notes payable.

Current liabilities

Borrowings decreased from RMB4,475 million as at 31 December 2014 to RMB4,361 million as at 30 September 2015. The decrease was due to the repayment of short term loans.

Payables arising from the acquisition of a subsidiary was for the acquisition of a 55% shareholding interest in Xinjiang Tianfu Coal Mining Co., Limited, which is in the business of mining and selling coal.

Trade and other payables increased by RMB3,312 million from RMB8,623 million as at 31 December 2014 to RMB11,935 million as at 30 September 2015 because of the notes payable, which increased by RMB3,806 million. The notes payable was utilised as working capital and to also partially finance the expansion of production at Xinjiang Plant; however, the notes payable increase was offset by the repayment made to suppliers.

The increase in advances from customers from RMB1,335 million as at 31 December 2014 to RMB1,525million as at 30 September 2015 was primarily attributable to the sales contracts entered with customers during 9M2015 that required upfront payment before delivery and also reclassification from non-current liabilities.

Net current liabilities

Although the Group's current liabilities exceeded its current assets by RMB5,606 million, the Group was able to (i) generate positive cash flow from its operations; (ii) renew its existing funding; and (iii) obtain new funding from its lenders, so as to enable the Group to meet their financial obligations as and when they fall due.

Non-current liabilities

Non-current liabilities increased by RMB1,862 million from RMB10,038 million as at 31 December 2014 to RMB11,900million as at 30 September 2015. The increase was primarily due to (i) a loan from non-controlling interests in CLI of approximately RMB2,036 million in 3Q2015; (ii) the issuance of US\$150 million of convertible bonds on 27 August 2015; and (iii) increase in long-term senior loan of approximately RMB1,201 million. However, the increase was offset by (i) the repayment arising from acquisition of a subsidiary of approximately RMB2,016 million; and (ii) reclassification of advances from customers to current liabilities.

Review of Statement of Cash Flows

The Group generated a net cash inflow from operating activities of approximately RMB3,524 million in 9M2015. This was mainly attributable to the increase in trade and other payables; however, it was offset by the increase in prepayments and trade and other receivables.

There was a net cash outflow of RMB4,146 million from investing activities in 9M2015, which was primarily due to the purchase/construction of property, plant and equipment in Xinjiang Plant and partial settlement of the payables arising from acquisition of a subsidiary.

Financing activities resulted in net cash inflows of RMB565 million in 9M2015, which was mainly attributable to (i) the issuance of convertible bonds and long-term senior loans; (ii) the proceeds from sale and leaseback transaction; and (iii) the proceeds from loan from non-controlling interests. However, it was offset by the increase in restricted cash and dividend payout of ordinary shares.

Cash and cash equivalents decreased from RMB314 million as at 31 December 2014 to RMB259 million as at 30 September 2015 for the reasons discussed above.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

It has been another challenging season for the aluminum industry. In 3Q2015, prices dipped to RMB10,300 per metric ton ("MT") (without value-added tax or "VAT") as compared to RMB12,100 per MT in 3Q2014, resulting in producers, including world industry leaders, cutting their production and shutting down inefficient capacities.

Despite this difficult operating environment, XinRen was able to remain profitable largely due to the timely acquisition of its increased beneficial equity stake in the large-scale, cost-effective smelter Xinjiang Plant from 21% to 51% in July 2014.

Xinjiang Plant will maintain or even raise its output going forward, and its unit production cost is expected to continue decreasing due to its increasingly integrated operations. With its more competitive cost structure and increased output, Xinjiang Plant will be able to benefit relative to the worldwide cuts in smelting production.

Though the Group remains in a net current liabilities position for 9M2015, management is committed to continue strengthening XinRen's financial position, which has already begun to improve since 3Q2015.

XinRen believes that Xinjiang Plant's position as one of the lowest cash-cost producers in China will continue to buffer the Group against the effects of the volatile aluminum prices, and will enable it to benefit when prices recover.

11. Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared or recommended for the nine months ended 30 September 2015.

13. Update on Utilisation of IPO Proceeds

As at 30 September 2015, the net proceeds from the Company's initial public offering has been utilised as follows:

Use of Proceeds	Amount Allocated SGD'million	Amount Utilised SGD'million	Balance SGD'million
Increasing the capacity of Jiangyin fabrication plant	52.9	47.9	5.0
Strategic investments, acquisitions and general corporate purposes	14.4	14.4	-
Working capital	28.8	28.8	-
Total	96.1	91.1	5.0

14. If the Group has obtained a general mandate from Shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group did not obtain any general mandate from its shareholders for IPTs.

15. Negative Assurance Confirmation on Interim Financial Results pursuant to Rule 705(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited

The Board of Directors of XinRen Aluminum Holdings Limited hereby confirms that, to the best of its knowledge, nothing has come to its attention that may render the financial results for the nine months ended 30 September 2015 to be false or misleading in any material respect.

BY ORDER OF THE BOARD

Zeng Chaolin
Executive Chairman
12 November 2015