



**UNAUDITED FINANCIAL STATEMENTS FOR THE THIRD QUARTER AND NINE MONTHS
ENDED 30 SEPTEMBER 2014**

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 2014. The figures below have not been audited or reviewed by the auditor 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 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		+/(-) %	Nine Months Ended		+/(-) %
	30/9/2014	30/9/2013		30/9/2014	30/9/2013	
	RMB'000	RMB'000		RMB'000	RMB'000	
	Unaudited	Unaudited		Unaudited	Unaudited	
Revenue	5,035,751	1,969,096	155.7	8,652,785	5,655,182	53.0
Cost of sales	(4,549,168)	(1,979,856)	129.8	(8,202,616)	(5,548,386)	47.8
Gross profit/ (loss)	486,583	(10,760)	4,622.1	450,169	106,796	321.5
Other items of income						
Finance income	13,806	7,728	78.6	23,450	18,011	30.2
Other income	338,707	52,513	545.0	399,564	59,252	574.3
Other items of expense						
Selling and distribution expenses	(69,922)	(13,291)	426.1	(89,684)	(34,380)	160.9
Administrative expenses	(33,865)	(25,775)	31.4	(72,791)	(78,572)	(7.4)
Finance costs	(56,007)	(45,408)	23.3	(101,998)	(113,136)	(9.8)
Other expenses	(33,523)	(9,815)	241.5	(34,246)	(42,356)	(19.1)
Share of result of a jointly controlled entity (Note 1)	-	27,248	(100.0)	73,183	62,387	17.3
Profit/(loss) before taxation	645,779	(17,560)	3,777.6	647,647	(21,998)	3,044.1
Taxation	(205,015)	18,330	(1,218.5)	(184,985)	26,144	(807.6)
Profit after taxation	440,764	770	57,142.1	462,662	4,146	11,059.2
Profit attributable to:						
Owners of the parent	224,582	770	29,066.5	246,480	4,146	5,845.0
Non-controlling interest	216,182	-	n.m	216,182	-	n.m
	440,764	770		462,662	4,146	

Note 1: share of result of a 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		+/(-) %	Nine Months Ended		+/(-) %
	30/9/2014	30/9/2013		30/9/2014	30/9/2013	
	RMB'000	RMB'000		RMB'000	RMB'000	
	Unaudited	Unaudited		Unaudited	Unaudited	
Profit after taxation	440,764	770	57,142.1	462,662	4,146	11,059.2
Other comprehensive income:						
Net gain/(loss) on available-for-sale financial assets	-	203	(100.0)	-	(239)	(100.0)
Foreign currency translation	(757)	6,101	(112.4)	(9,735)	28,588	(134.1)
Other comprehensive (loss)/income for the period	(757)	6,304	(112.0)	(9,735)	28,349	(134.3)
Total comprehensive income for the period	440,007	7,074	6,120.1	452,927	32,495	1,293.8
Total comprehensive income attributable to:						
Owners of the parent	223,825	7,074	3,064.1	236,745	32,495	628.6
Non-controlling interest	216,182	-	n.m	216,182	-	n.m
	440,007	7,074		452,927	32,495	

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

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

	Group					
	Third Quarter Ended			Nine Months Ended		
	30/9/2014	30/9/2013	+/(-) %	30/9/2014	30/9/2013	+/(-) %
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
	Unaudited	Unaudited		Unaudited	Unaudited	
Other income:						
Government subsidy (note 1)	264,804	19,679	1,245.6	270,371	22,551	1,098.9
Sale of scraps	2,359	1,057	123.2	3,744	3,934	(4.8)
Gain on disposal of a subsidiary (note 2)	-	-	n.m	27,948	-	n.m
Gain on remeasuring existing equity interest in a jointly controlled entity upon acquisition (note 3)	59,507	-	n.m	59,507	-	n.m
Gain on disposal of property, plant and equipment	54	-	n.m	54	-	n.m
Foreign exchange gain	(3,227)	-	n.m	6,725	-	n.m
Arrangement fee (note 4)	-	30,679	(100.0)	12,133	30,679	(60.5)
Others	15,210	1,098	1,285.2	19,082	2,088	813.9
Other expenses						
Foreign exchange loss	-	(9,205)	n.m	-	(41,414)	n.m
Others	(33,523)	(610)	5,395.6	(34,246)	(942)	3,535.5
Interest income	13,806	7,728	78.6	23,450	18,011	30.2
Finance expense:						
Interest expense	(47,618)	(25,052)	90.1	(66,859)	(59,342)	12.7
Bank charges (note 5)	(8,388)	(20,356)	(58.8)	(35,138)	(53,794)	(34.7)
Amortisation of intangible assets	(31,170)	-	100.0	(31,170)	-	100.0
Amortisation of land used rights	(4,070)	(279)	1,358.8	(4,563)	(837)	445.2
Amortisation of long term payables	(21,091)	-	n.m	(21,091)	-	n.m
Depreciation of property, plant and equipment	(116,226)	(32,262)	260.3	(158,798)	(99,358)	59.8
Staff costs	(74,254)	(25,080)	196.1	(109,727)	(70,432)	55.8

n.m- not meaningful

Notes:

- These relate to: (i) a subsidy provided by the local government for electricity costs incurred by one of the Group's smelting plants; (ii) other subsidies provided by the local government on income earned by the Group's subsidiaries; and (iii) government investment incentives provided by the local government for one of the Group's subsidiaries. There are no unfulfilled conditions to the above aforesaid subsidies.
- On 25 February 2014, the Group entered into a sale and purchase agreement to dispose of its entire interest in a wholly owned subsidiary, Yichang Changjiang Aluminum Co. Ltd. ("Yichang Plant"). With effect from 1 January 2014, the Group will not consolidate the results of Yichang Plant any longer.
- On 3 July 2014, the Group further acquired 30% equity interest in China Leading International Limited ("CLI"). After the acquisition, CLI become a subsidiary of the Group. The previously held 21% equity interest in CLI was remeasured to fair value at the acquisition date and therefore a gain was recognised in the consolidated income statement during the period under review.
- The arrangement fees represent fee charges for loan facilities arrangement for our jointly controlled entity.
- This item relates mainly to charges incurred for the notes payable.

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	
	30/9/2014	31/12/2013	30/9/2014	31/12/2013
	RMB'000	RMB'000	RMB'000	RMB'000
	Unaudited	Audited	Unaudited	Audited
Non-current assets				
Property, plant and equipment	14,812,923	2,288,096	455	1,155
Land use rights	855,527	68,162	-	-
Intangible assets	4,734,608	-	-	-
Investment in subsidiaries	-	-	5,310,646	165,165
Investment in a jointly controlled entity	-	1,975,362	-	1,890,000
Amount due from a subsidiary	-	-	382,476	382,476
Deferred expenses	10,671	3,177	-	-
Deferred tax assets	66,923	84,961	-	-
	20,480,652	4,419,758	5,693,577	2,438,796
Current assets				
Inventories	1,601,023	453,840	57,413	-
Prepayments	2,144,779	579,098	-	-
Amounts due from a jointly controlled entity	-	50,318	-	225,188
Amounts due from subsidiaries	-	-	367,864	-
Amounts due from directors	24,454	23,154	-	-
Amounts due from related parties	10,598	-	-	-
Income tax receivable	7,883	13,118	-	103
Trade and other receivables	2,627,284	818,454	496,986	479,863
Deferred expenses	62,264	561,570	61,602	544,416
Short term investments	-	2,710	-	-
Short term deposits, secured	1,968,578	1,239,449	7,483	-
Cash and cash equivalents	293,910	1,682,282	90,894	1,438,095
	8,740,773	5,423,993	1,082,242	2,687,665
Current liabilities				
Loans and borrowings	6,330,760	2,945,203	727,618	565,183
Amounts due to subsidiaries	-	-	-	596,159
Amounts due to related parties	-	4,635	82,178	-
Payable arising from acquisition of a jointly controlled entity	-	572,084	-	572,084
Payable arising from acquisition of subsidiaries	1,893,734	-	1,841,000	-
Trade and other payables	3,903,464	393,653	3,184	3,726
Deferred revenue	49,869	440,717	49,869	440,717
Advances from customers	2,488,704	1,079,234	-	-
Accrued operating expenses	30,452	9,642	-	-
Finance lease liabilities	46,631	-	-	-
Income tax payable	129,205	1,508	1,262	1,360
	14,872,819	5,446,676	2,705,111	2,179,229
Net current (liabilities)/assets	(6,132,046)	(22,683)	(1,622,869)	508,436
Non-current liabilities				
Deferred tax liabilities	962,876	132,709	-	-
Advances from customers	3,053,310	2,137,113	1,719,990	1,803,793
Deferred income	361,750	-	-	-
Payable arising from acquisition of a subsidiary	1,234,355	-	1,234,355	-
Finance lease liabilities	1,083,408	-	-	-
Loans and borrowings	2,298,408	49,970	-	-
	8,994,107	2,319,792	2,954,345	1,803,793
Net assets	5,354,499	2,077,283	1,116,363	1,143,439
Equity attributable to equity holders of the parent				
Share capital	995,377	995,377	995,377	995,377
Treasury shares	(12,483)	(6,927)	(12,483)	(6,927)
Revenue reserve	1,225,363	837,185	154,313	169,003
Other reserves	102,425	251,648	(20,844)	(14,014)
Total equity	2,310,682	2,077,283	1,116,363	1,143,439
Non-controlling interest	3,043,817	-	-	-
	5,354,499	2,077,283	1,116,363	1,143,439

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

Amount repayable in one year or less, or on demand

	30/9/2014		31/12/2013	
	Secured RMB'000 Unaudited	Unsecured RMB'000 Unaudited	Secured RMB'000 Audited	Unsecured RMB'000 Audited
Short term bank loans	2,749,487	-	1,493,193	-
Notes payable	3,581,273	-	1,452,010	-
	6,330,760	-	2,945,203	-

Amount repayable after one year

	30/9/2014		31/12/2013	
	Secured RMB'000 Unaudited	Unsecured RMB'000 Unaudited	Secured RMB'000 Audited	Unsecured RMB'000 Audited
Long term bank loans	2,298,408	-	49,970	-

Details of any collateral

Short term bank loans are secured by charges over short term deposits, land use rights and buildings, inventories and plant and machinery, and/or guarantees by directors of the Company and its subsidiaries. Notes payable are secured by charges over short term deposits and/or guarantees by directors of the Company and its subsidiaries.

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		Nine Months Ended	
	30/9/2014 RMB'000 Unaudited	30/9/2013 RMB'000 Unaudited	30/9/2014 RMB'000 Unaudited	30/9/2013 RMB'000 Unaudited
Cash flow from operating activities				
Profit/(loss) before taxation	645,779	(17,560)	647,647	(21,998)
Adjustments for:				
Depreciation of property, plant and equipment	116,226	32,262	158,798	99,358
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)	-
Amortisation of financial lease	16,310	-	16,310	-
Amortisation of land use rights	4,070	279	4,563	837
Amortisation of intangibles	31,170	-	31,170	-
Amortisation of long term payables	21,091	-	21,091	-
Amortisation of deferred income	(177,641)	-	(177,641)	-
Unrealised exchange loss/(gain)	1,987	6,556	(9,762)	36,555
Exchange realignment	(2,631)	8,740	295	727
Share of profit in a jointly controlled entity	-	(27,248)	(73,183)	(62,387)
Interest income	(13,806)	(7,728)	(23,450)	(18,011)
Interest expense	47,618	25,052	66,859	59,342
Operating profit before changes in working capital	630,612	20,353	575,188	94,423
(Increase) /decrease in inventories	(99,198)	67,522	(158,869)	118,993
Increase in prepayments	(347,497)	(153,914)	(365,873)	(418,382)
(Increase) /decrease in deferred expenses	(2,849)	(257,516)	491,865	(291,794)
(Increase) /decrease in amounts due from directors and related parties	(85,117)	21,951	(16,563)	(21,195)
Decrease/ (increase) in trade and other receivables	1,775,742	(536,178)	1,232,856	(612,492)
Decrease/ (increase) in amounts due from/(to) a jointly controlled entity	1,151,272	(117,123)	50,318	313,277
(Decrease)/increase in trade and other payables	(3,423,255)	756,566	(2,478,293)	914,256
(Decrease)/increase in deferred revenue	(3)	185,202	(390,849)	212,226
Increase in advances from customers	1,036,207	1,077,663	1,017,659	1,203,082
Increase/ (decrease) in accrued operating expenses	1,833	(3)	2,255	(172)
Cash generated from/(used in) operating activities	637,747	1,064,523	(40,306)	1,512,222
Interest income received	13,806	7,728	23,450	18,011
Interest expense paid	(47,618)	(25,052)	(66,859)	(59,342)
Tax refunded	-	-	-	1,458
Tax paid	(38,310)	(1,875)	(40,075)	(5,706)
Net cash generated from/(used in) operating activities	565,625	1,045,324	(123,790)	1,466,643
Cash flows from investing activities				
Purchase of property, plant and equipment	(983,101)	(8,638)	(1,008,272)	(38,525)
Purchase of intangible assets	(57,988)	-	(57,988)	(4,120)
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	-
Prepayment for property, plant and equipment	-	(1,475)	-	(7,331)
Proceed from disposal of a subsidiary	-	-	237,155	-
Payment of investment in a jointly controlled entity	-	(14,939)	(572,084)	(307,726)
Net cash used in investing activities	(943,078)	(25,052)	(1,303,178)	(357,702)

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

	Group			
	Third Quarter Ended		Nine Months Ended	
	30/9/2014	30/9/2013	30/9/2014	30/9/2013
	RMB'000	RMB'000	RMB'000	RMB'000
	Unaudited	Unaudited	Unaudited	Unaudited
Cash flow from financing activities				
Proceeds from sale and leaseback transactions	467,750	-	467,750	-
Repayments of financial lease liabilities	(73,656)	-	(73,656)	-
Purchase of treasury shares	-	-	(5,556)	-
Proceeds from loans and borrowings	1,653,979	2,940,318	3,590,045	6,105,994
Repayments of loans and borrowings	(1,601,416)	(3,282,448)	(3,616,311)	(6,658,150)
Increase in short term deposits, secured	133,983	(117,222)	(323,519)	(89,183)
Net cash generated from/(used in) financing activities	580,640	(459,352)	38,753	(641,339)
Net increase/(decrease) in cash and cash equivalents	203,187	560,920	(1,388,215)	467,602
Effects of exchange rate changes on cash and cash equivalents	2	3	(157)	(156)
Cash and cash equivalents at beginning of the period	90,721	96,084	1,682,282	189,561
Cash and cash equivalents at end of the period	293,910	657,007	293,910	657,007

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.

Group	Attributable to Equity Holders of the Parent						Non-controlling Interest	Total Equity
	Share Capital	Treasury Shares	Revenue Reserve	Other Reserves	Total Reserves	Total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2013	995,377	(6,927)	800,441	202,153	1,002,594	1,991,044	-	1,991,044
Loss for the period	-	-	(6,758)	-	(6,758)	(6,758)	-	(6,758)
Other comprehensive income for the period	-	-	-	3,369	3,369	3,369	-	3,369
Total comprehensive (loss)/income for the period	-	-	(6,758)	3,369	(3,389)	(3,389)	-	(3,389)
Appropriation to special reserve	-	-	(4,841)	4,841	-	-	-	-
Balance at 31 March 2013	995,377	(6,927)	788,842	210,363	999,205	1,987,655	-	1,987,655
Profit for the period	-	-	10,134	-	10,134	10,134	-	10,134
Other comprehensive income for the period	-	-	-	18,676	18,676	18,676	-	18,676
Total comprehensive income for the period	-	-	10,134	18,676	28,810	28,810	-	28,810
Appropriation to special reserve	-	-	(4,838)	4,838	-	-	-	-
Balance at 30 June 2013	995,377	(6,927)	794,138	233,877	1,028,015	2,016,465	-	2,016,465
Profit for the period	-	-	770	-	770	770	-	770
Other comprehensive income for the period	-	-	-	6,304	6,304	6,304	-	6,304
Total comprehensive income for the period	-	-	770	6,304	7,074	7,074	-	7,074
Appropriation to special reserve	-	-	(4,839)	4,839	-	-	-	-
Balance at 30 September 2013	995,377	(6,927)	790,069	245,020	1,035,089	2,023,539	-	2,023,539
Balance at 1 January 2014	995,377	(6,927)	837,185	251,648	1,088,833	2,077,283	-	2,077,283
Purchase of treasury shares	-	(5,556)	-	-	-	(5,556)	-	(5,556)
Realisation of reserve upon disposal of a subsidiary	-	-	148,690	(148,690)	-	-	-	-
Profit for the period	-	-	10,807	-	10,807	10,807	-	10,807
Other comprehensive loss for the period	-	-	-	(8,862)	(8,862)	(8,862)	-	(8,862)
Total comprehensive income/(loss) for the period	-	-	10,807	(8,862)	1,945	1,945	-	1,945
Appropriation to special reserve	-	-	(1,885)	1,885	-	-	-	-
Balance at 31 March 2014	995,377	(12,483)	994,797	95,981	1,090,778	2,073,672	-	2,073,672
Profit for the period	-	-	11,091	-	11,091	11,091	-	11,091
Other comprehensive loss for the period	-	-	-	(116)	(116)	(116)	-	(116)
Total comprehensive income/(loss) for the period	-	-	11,091	(116)	10,975	10,975	-	10,975
Appropriation to special reserve	-	-	(1,870)	1,870	-	-	-	-
Balance at 30 June 2014	995,377	(12,483)	1,004,018	97,735	1,101,753	2,084,647	-	2,084,647
Acquisition of subsidiaries	-	-	-	-	-	-	2,829,845	2,829,845
Profit for the period	-	-	224,582	-	224,582	224,582	216,182	440,764
Other comprehensive loss for the period	-	-	-	(757)	(757)	(757)	-	(757)
Total comprehensive income for the period	-	-	224,582	(757)	223,825	223,825	216,182	440,007
Appropriation to special reserve	-	-	(3,237)	5,447	2,210	2,210	(2,210)	-
Balance at 30 September 2014	995,377	(12,483)	1,225,363	102,425	1,327,788	2,310,682	3,043,817	5,354,499

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 2013	995,377	(6,927)	64,648	(35,302)	29,346	1,017,796
Loss for the period	-	-	(10,472)	-	(10,472)	(10,472)
Other comprehensive income for the period	-	-	-	3,536	3,536	3,536
Total comprehensive (loss)/income for the period	-	-	(10,472)	3,536	(6,936)	(6,936)
Balance at 31 March 2013	995,377	(6,927)	54,176	(31,766)	22,410	1,010,860
Profit for the period	-	-	7,715	-	7,715	7,715
Other comprehensive income for the period	-	-	-	18,951	18,951	18,951
Total comprehensive income for the period	-	-	7,715	18,951	26,666	26,666
Balance at 30 June 2013	995,377	(6,927)	61,891	(12,815)	49,076	1,037,526
Profit for the period	-	-	49,155	-	49,155	49,155
Other comprehensive income for the period	-	-	-	6,100	6,100	6,100
Total comprehensive income for the period	-	-	49,155	6,100	55,255	55,255
Balance at 30 September 2014	995,377	(6,927)	111,046	(6,715)	104,331	1,092,781
Balance at 1 January 2014	995,377	(6,927)	169,003	(14,014)	154,989	1,143,439
Purchase of treasury shares	-	(5,556)	-	-	-	(5,556)
Loss for the period	-	-	(858)	-	(858)	(858)
Other comprehensive loss for the period	-	-	-	(6,790)	(6,790)	(6,790)
Total comprehensive loss for the period	-	-	(858)	(6,790)	(7,648)	(7,648)
Balance at 31 March 2014	995,377	(12,483)	168,145	(20,804)	147,341	1,130,235
Profit for the period	-	-	10,080	-	10,080	10,080
Other comprehensive loss for the period	-	-	-	(67)	(67)	(67)
Total comprehensive income/(loss) for the period	-	-	10,080	(67)	10,013	10,013
Balance at 30 June 2014	995,377	(12,483)	178,225	(20,871)	157,354	1,140,248
Profit for the period	-	-	(23,912)	-	(23,912)	(23,912)
Other comprehensive income for the period	-	-	-	27	27	27
Total comprehensive income for the period	-	-	(23,912)	27	(23,885)	(23,885)
Balance at 30 September 2014	995,377	(12,483)	154,313	(20,844)	133,469	1,116,363

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.

The Company exercised its share-buy-back mandate to purchase 3,000,000 shares in the capital of the Company (the "Shares") from the open market during the nine months ended 30 September 2014. These Shares are held as treasury shares.

	No. of Shares
Balance as of 31/12/2013 and 01/01/2014	1,306,567,528
Less: share buy-back during the financial period from 1 January 2014 to 31 March 2014	<u>(3,000,000)</u>
Balance as of 31/03/2014	1,303,567,528
Less: share buy-back during the financial period from 1 April 2014 to 30 June 2014	<u>-</u>
	1,303,567,528
Less: share buy-back during the financial period from 1 July 2014 to 30 September 2014	<u>-</u>
	<u><u>1,303,567,528</u></u>

The holders of 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.

There were no convertibles issued by the Company as of 30 September 2014 and 30 September 2013.

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 of 30 September 2014	As of 30 September 2013	As of 31 December 2013
Number of issued shares excluding treasury shares :	1,303,567,528	1,306,567,528	1,306,567,528
Number of treasury shares held :	6,980,000	3,980,000	3,980,000

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 of 30 September 2014.

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 2013.

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 adopted all new and revised Financial Reporting Standards (FRS) and Interpretations of FRS (INT FRS) that are relevant to its operations and effective for annual periods beginning on or after 1 January 2014. The adoption of these new or revised FRSs and INT FRS standards has no significant impact on the 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 taxation attributable to owners of the parent for the respective years divided by:

- (a) the total weighted average number of issued shares of the Company of 1,304,501,044 shares excluding treasury shares as of 30 September 2014; and
- (b) the total number of issued shares of the Company of 1,306,567,528 shares excluding treasury shares as of 30 September 2013.

	Group			
	Third Quarter Ended		Nine Months Ended	
	30/9/2014	30/9/2013	30/9/2014	30/9/2013
	Unaudited	Unaudited	Unaudited	Unaudited
Profit after taxation attributable to owners of the parent (RMB'000)	224,582	770	246,480	4,146
Basic earnings per share (RMB cents)	17.22	0.06	18.89	0.32

* There were no potential dilutive options for the 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	
	30/9/2014 Unaudited	31/12/2013 Audited	30/9/2014 Unaudited	31/12/2013 Audited
Net asset value attributable to owners of the parent/ net asset value of the Company(RMB'000)	2,310,682	2,077,283	1,116,363	1,143,439
Net asset value per share (RMB cents)	177.26	158.99	85.64	87.51

The calculation of net asset value per share is based on the net asset value excluding non controlling interest as of the end of respective periods divided by the total number of issued shares of the Company of 1,303,567,528 shares (31 December 2013: 1,306,567,528 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 2014 ("3Q 2014") vs Third Quarter Ended 30 September 2013 ("3Q 2013")

Nine Months Ended 30 September 2014 ("9M 2014") vs Nine Months Ended 30 September 2013 ("9M 2013")

Revenue (excluding all inter-segment transactions)

	Group					
	Third Quarter Ended			Nine Months Ended		
	30/9/2014	30/9/2013	+/(-) %	30/9/2014	30/9/2013	+/(-) %
	RMB'000 Unaudited	RMB'000 Unaudited		RMB'000 Unaudited	RMB'000 Unaudited	
Smelting	2,633,900	377,985	596.8	3,832,148	1,802,198	112.6
Fabrication	136,894	126,674	8.1	354,678	340,283	4.2
Trading	2,264,957	1,464,437	54.7	4,465,959	3,512,701	27.1
	<u>5,035,751</u>	<u>1,969,096</u>	155.7	<u>8,652,785</u>	<u>5,655,182</u>	53.0

The Group's revenue increased by approximately RMB2,998 million to RMB8,653 million in 9M 2014 from RMB5,655 million in 9M 2013. On a quarterly basis, the Group's revenue increased by approximately 155.7% to RMB5,036 million in 3Q 2014 from RMB1,969 million in 3Q 2013. The increase in revenue was largely due to the contribution from the Group's 51% owned subsidiary, China Leading International Limited ("CLI") (which wholly owns Xinjiang Production and Construction Corps Agricultural Division Eight Xinjiang Tianshan Aluminum Plant Co., Ltd. ("Xinjiang Plant")). The increase was partially offset by the disposal of Yichang Plant.

The Group's revenue from the smelting segment increased by approximately 112.6% to RMB3,823 million in 9M 2014 from RMB1,802 million in 9M 2013. The increase was due primarily to: (i) contribution from Xinjiang Plant as the Group's 51% stake in CLI was effective from July 2014 and the results of Xinjiang Plant were consolidated into Group's financial statements from the date of the acquisition; and (ii) recognition of RMB441 million in deferred revenue from 1Q 2014 in relation to the Group's export sales which had not been recognised as of 31 December 2013. However, the increase was partially offset by the exclusion of Yichang Plant's revenue, which no longer featured in the Group's results with effect from 1 January 2014, as the plant was sold in 1Q 2014.

The Group's revenue from the fabrication segment increased by approximately 4.2% to RMB355 million in 9M 2014 from RMB340 million in 9M 2013. The increase in revenue was largely because of the higher sales volume of fabricated aluminum products, which increased to 28,800 MT in 9M 2014 from 27,500 MT in 9M 2013.

The Group's revenue from the trading segment increased to RMB4,466 million in 9M 2014 from RMB3,513 million in 9M 2013. The increase was mainly attributable to the contribution from Xinjiang Plant as the Group's 51% stake in CLI was effective from July 2014.

Gross profit and gross profit margin

The Group's gross profit increased by 321.5% to RMB450 million in 9M 2014 from RMB107 million in 9M 2013, while its gross profit margin increased to approximately 5.2% in 9M 2014 from 1.9% in 9M 2013. The increase in gross profit was due mainly to: (i) lower electricity costs incurred by Xinjiang Plant; and (ii) higher sales volume contributed from Xinjiang Plant.

Profit/ (loss) before taxation (excluding all inter-segment transactions)

	Group					
	Third Quarter Ended			Nine Months Ended		
	30/9/2014	30/9/2013	+/(-)	30/9/2014	30/9/2013	+/(-)
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
	Unaudited	Unaudited		Unaudited	Unaudited	
Smelting	617,437	(75,525)	917.5	539,284	(164,047)	428.7
Fabrication	29,699	1,281	2,218.4	37,279	15,877	134.8
Trading	(1,357)	29,436	(104.6)	(2,099)	63,785	(103.3)
Share of result of a jointly controlled entity	-	27,248	(100.0)	73,183	62,387	17.3
	<u>645,779</u>	<u>(17,560)</u>	3,777.6	<u>647,647</u>	<u>(21,998)</u>	3,044.1

The Group recorded a profit before taxation of RMB648 million in 9M 2014 which was mainly attributable to higher profit contribution from the smelting segment, as a result of contribution from Xinjiang Plant whose profit rose because of its higher smelting capacity and lower production cost.

Selling and distribution expenses increased by 160.9% to RMB90 million in 9M 2014 from RMB34 million in 9M 2013. On a quarterly basis, such expenses increased by 426.1% to RMB70 million in 3Q 2014 from RMB13 million in 3Q 2013. The increase in selling and distribution expenses was attributable mainly to the large increases in the sales volume of Xinjiang Plant.

Administrative expenses decreased by approximately 7.4% to RMB73 million in 9M 2014 from RMB79 million in 9M 2013. The decrease was mainly attributable to the disposal of Yichang Plant. On a quarterly basis, administrative expenses increased by 31.4% to RMB34 million in 3Q 2014 from RMB26 million in 3Q 2013, as administrative expenses of Xinjiang Plant were included.

Finance costs decreased by approximately 9.8% to RMB73 million in 9M 2014 from RMB79 million in 9M 2013, mainly due to disposal of Yichang Plant. On a quarterly basis, finance costs increased by 23.3% to RMB56 million in 3Q 2014 from RMB45 million in 3Q 2013, as more borrowings were drawn down for working capital purposes. The majority of the finance costs incurred by Xinjiang Plant was capitalised as Xinjiang Plant continues to expand its smelting production capacity and power plant.

Other income increased by approximately 574.3% to RMB400 million in 9M 2014 from RMB59 million in 9M 2013, due mainly to (i) government investment incentives of approximately RMB232 million received by a subsidiary from the local government; (ii) a gain on the disposal of Yichang Plant, which amounted to approximately RMB28 million; (iii) an arrangement fee of approximately RMB12 million charged to our jointly controlled entity for the half year ended 30 June 2014; and (iv) a gain on remeasuring existing equity interest in CLI of approximately RMB59 million after the Group acquired a further 30% equity interest of CLI, with CLI becoming a subsidiary of the Group with effect from July 2014.

Taxation

The increase in taxation 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.

Review of Statement of Financial Position

Non-current assets

Non-current assets increased by approximately 363.4% from RMB4,420 million as at 31 December 2013 to RMB20,481 million as at 30 September 2014. These assets comprise of property, plant and equipment, land use rights, intangible assets, deferred expenses and deferred tax assets. The increase in non-current assets was primarily attributable to the consolidation of non-current assets from CLI with effect from July 2014 and recognition of intangible assets related to the acquisition of CLI.

Current assets

Inventories increased from RMB454 million as at 31 December 2013 to RMB1,601 million as at 30 September 2014. The increase in inventories was primarily attributable to the inclusion of Xinjiang Plant's inventory.

Prepayments increased from RMB579 million as at 31 December 2013 to RMB2,145 million as at 30 September 2014. The increase in prepayments was due mainly to the inclusion of Xinjiang Plant's prepayments which comprise of advance payments made for the purchase of raw materials.

Trade and other receivables increased from RMB818 million as at 31 December 2013 to RMB2,627 million as at 30 September 2014. The increase was primarily attributable to the inclusion of the outstanding amount owed by Xinjiang Plant's customers.

Deferred expenses decreased from RMB562 million as at 31 December 2013 to RMB62 million as at 30 September 2014. The decrease was mainly due to the recognition of deferred expenses to cost of sales for the export business as the selling price had been fixed during the period.

Secured short term deposits increased from RMB1,239 million as at 31 December 2013 to RMB1,969 million as at 30 September 2014 as a result of including the secured short term deposit from Xinjiang Plant for the notes payable facilities.

Current liabilities

Loans and borrowings increased from RMB2,945 million as at 31 December 2013 to RMB6,331 million as at 30 September 2014, due to the inclusion of borrowings drawn down by Xinjiang Plant which were partially to finance the plant's expansion of production.

Payables of RMB572 million arising from the acquisition of a jointly controlled entity (21% stake of CLI) as at 31 December 2013 were fully settled in March 2014. Therefore, there are no longer any outstanding payables arising from the acquisition of a jointly controlled entity as at 30 September 2014.

Payables arising from the acquisition of subsidiaries arose from the acquisition of a 55% shareholding interest in Xinjiang Tianfu Coal Mining Co., Limited, which is in the business of mining and sale of coal, by the Group's 51%-owned Xinjiang Plant. This acquisition was completed in September 2014, with payables arising from acquisition of a further 30% stake in CLI still outstanding.

Trade and other payables increased from RMB393 million as at 31 December 2013 to RMB3,903 million as at 30 September 2014. The increase was mainly attributable to the inclusion of Xinjiang Plant's suppliers for the purchase of raw materials and also the construction costs incurred by Xinjiang Plant.

The decrease in deferred revenue from RMB441 million as at 31 December 2013 to RMB50 million as at 30 September 2014 was primarily due to the Group's export sales that had been recognised during the period.

The increase in advances from customers from RMB1,079 million as at 31 December 2013 to RMB2,489 million as at 30 September 2014 was primarily attributable to the inclusion of advances from Xinjiang Plant's customers.

Non-current liabilities

Non-current liabilities increased by RMB6,674 million from RMB2,320 million as at 31 December 2013 to RMB8,994 million as at 30 September 2014. The significant increase in non-current liabilities was primarily due to (i) increase in deferred tax liabilities in relation to the recognition of intangible assets resulting from the acquisition of CLI; (ii) outstanding payables arising from the acquisition of another 30% of CLI; (iii) contribution of deferred income after consolidating CLI; (iv) contribution of finance lease liabilities relating to the machinery leased by Xinjiang Plant; and (v) increase in loans and borrowings after consolidating CLI.

Review of Statement of Cash Flows

The Group recorded a net cash outflow in operating activities of approximately RMB124 million in 9M 2014. This was mainly attributable to an increase in prepayments, an increase in inventories and a decrease in trade and other payables. However, the overall decrease was offset by a decrease in trade and other receivables, a decrease in amounts due from a jointly controlled entity and an increase in advances from customers.

There was a net cash outflow of RMB1,303 million from investing activities in 9M 2014, which was mainly attributable to: (i) purchase of property, plant and equipment; (ii) purchase of intangible assets; and (iii) final payment made in respect of the acquisition of 21% stake in CLI during the period under review. However, the net cash outflow from investing activities was offset by cash inflow of RMB83 million relating to the acquisition of certain subsidiaries, proceeds of RMB15 million from non-controlling interest contribution to a subsidiary and proceeds of RMB237 million from the disposal of a subsidiary.

Financing activities resulted in net cash inflows of RMB39 million in 9M 2014, mainly attributable to the proceeds from various new borrowings less the scheduled repayments.

Cash and cash equivalents decreased from RMB1,682 million as at 31 December 2013 to RMB294 million as at 30 September 2014 due to the above reasons.

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.**

In July 2014, the Group took a critical strategic step by increasing its stake in the cost-competitive Xinjiang Plant from 21% to 51%. In doing so, it established XinRen as one of the top 6 aluminum producers in China (including state-owned enterprises) and has a cash production cost that is one of the industry's lowest¹. Xinjiang Plant – a large-scale, coal-powered smelter that enjoys the cost benefits of a fully integrated value chain – was the key to the Group's record high quarterly profit of RMB246 million in 3Q 2014 and total assets of about RMB30 billion.

Management has given its best efforts to keep construction at Xinjiang Plant on schedule, and is now focused on expanding the plant's capacity further. During the period under review, the Group incurred an increase in net current liabilities because of short-term financing needed to cover construction costs for Xinjiang Plant and payables arising from the acquisition of subsidiaries. To address this issue, management plans to restructure its short-term borrowings into long-term borrowings.

Aluminum prices, which slipped lower at the start of the year, have increased since June due to a combination of factors. These include: (i) a tightening of supply in the global market as producers cut production to counter rising costs; (ii) Indonesia's ban on bauxite ore exports²; and (iii) increased demand from US automakers and China³. Industry sources are now forecasting a global aluminum deficit for 2014⁴ and even into 2015⁵, which should lend support to aluminum prices going forward.

Looking ahead, the Group expects contributions from Xinjiang Plant to continue to grow in FY2015, as the facility doubles its production output to 800,000 tonnes and ramps up its capacity to 1.1 million tonnes by the end of 2014. Moreover, the Group believes production costs at the facility should fall further, as it now has an in-house supply of carbon, coal and electricity. Management will continue to seek ways to lower the Group's cash production costs and generate positive cash flow from operating activities, thus strengthening its financial position and enhancing its competitive edge in the PRC.

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.

¹ Antaika, 2014

² Bloomberg, 29 October 2014: China seen facing bauxite gap by Alumina Ltd. on Indonesian ban

³ Minerals Council of Australia, March 2014: The official five year outlook

⁴ Australian Journal of Mining, 12 June 2014: 4 reasons to be bullish on aluminum

⁵ Bloomberg, 10 February 2014: Aluminum faces deficit in 2015 on cutbacks, Sumitomo says

(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 2014.

13. Update on Utilisation of IPO Proceeds

As of 30 September 2014, 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 2014 to be false or misleading in any material respect.

BY ORDER OF THE BOARD

Liang Hongbo
Executive Director
11 November 2014