METALLURGICAL CORPORATION OF CHINA LTD. *
中國冶金科工股份有限公司

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

(Stock Code: 1618)

PROPOSED APPROVAL OF VERY SUBSTANTIAL DISPOSAL AND CONNECTED TRANSACTION IN RELATION TO DISPOSAL OF TARGET EQUITY INTERESTS IN THE TARGET COMPANIES AND ASSIGNMENT OF THE DEBTS
PROPOSED CONNECTED TRANSACTIONS IN RELATION TO THE CONNECTED GUARANTEES ARISING FROM THE DISPOSALS
PROPOSED APPROVAL OF THE CHANGE OF THE USE OF THE A SHARE PROCEEDS
PROPOSED APPROVAL OF THE CHANGE OF THE USE OF THE H SHARE PROCEEDS

Financial Adviser to the Company

CICC
中金公司

Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders

Gram Capital Limited
嘉林資本有限公司

THE SALE AND PURCHASE AGREEMENTS

On 8 December 2025, the Vendors and the Purchasers entered into the Sale and Purchase Agreements, pursuant to which (i) the Company proposes to sell the entire equity interest of MCC Real Estate and assign the Debts to Minmetals Land Holdings; and (ii) the Company proposes to sell (a) the entire equity interest in each of Non-ferrous Engineering, MCC Tongsin Resources and MCC Ramu; and (b) 67.02% equity interest in MCC-JJJ Mining to China Minmetals, and China Huaye proposes to sell, the entire equity interest in MCC Duddar to China Minmetals or its designated entity(ies), at the total Consideration of RMB60,676.3224 million.

After completion of the Disposals, each of the Target Companies will cease to be subsidiaries of the Company and the financial results of each of the Target Companies will no longer be consolidated into the financial statements of the Company.

IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio (as calculated in accordance with Rule 14.07 of the Listing Rules) for the Disposals is more than 75%, the Disposals constitute a very substantial disposal transaction of the Company under Rule 14.06 of the Listing Rules. Accordingly, the Sale and Purchase Agreements and the transactions contemplated thereunder are subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

In addition, China Minmetals, being the controlling shareholder of the Company, and Minmetals Land Holdings, being a subsidiary of China Minmetals, are connected persons of the Company. Pursuant to the Listing Rules, the Disposals constitute a connected transaction for the Company and are subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A the Listing Rules.

The EGM will be convened for the Shareholders to consider and, if thought fit, approve (i) the Sale and Purchase Agreements and the transactions contemplated thereunder; (ii) the connected guarantees arising from the Disposals; (iii) the change of the use of the A Share proceeds; and (iv) the change of the use of the H Share proceeds.

A circular containing, among other things, (i) further information on the Sale and Purchase Agreements and the transactions contemplated thereunder; (ii) the valuation reports of the Target Companies; (iii) the financial information of the Target Companies; (iv) the pro forma financial information of the Remaining Group; (v) other information as required under the Listing Rules; and (vi) the notice of the EGM, is expected to be despatched to the Shareholders on or before 12 December 2025 so as to allow sufficient time for the preparation of the relevant information for inclusion in the circular.

1. VERY SUBSTANTIAL DISPOSAL AND CONNECTED TRANSACTION IN RELATION TO THE DISPOSAL OF TARGET EQUITY INTERESTS IN THE TARGET COMPANIES AND THE ASSIGNMENT OF THE DEBTS

INTRODUCTION

On 8 December 2025, the Vendors and the Purchasers entered into the Sale and Purchase Agreements, pursuant to which (i) the Company proposes to sell the entire equity interest of MCC Real Estate and assign the Debts to Minmetals Land Holdings; and (ii) the Company proposes to sell (a) the entire equity interest in each of Non-ferrous Engineering, MCC Tongsin Resources and MCC Ramu; and (b) 67.02% equity interest in MCC-JJJ Mining to China Minmetals, and China Huaye proposes to sell, the entire equity interest in MCC Duddar to China Minmetals or its designated entity(ies), at the total Consideration of RMB60,676.3224 million.

A. THE FIRST SALE AND PURCHASE AGREEMENT

The principal terms of the First Sale and Purchase Agreement are as follows:

Date

8 December 2025

Parties

(1) The Company (as Vendor); and

(2) Minmetals Land Holdings (as Purchaser)

Subject Matter

Pursuant to the terms and conditions of the First Sale and Purchase Agreement:

(1) the Company agreed to sell, and Minmetals Land Holdings agreed to purchase, the entire equity interest of MCC Real Estate; and

(2) the Company agreed to assign, and Minmetals Land Holdings agreed to be assigned, the Debts.

Consideration

The total consideration for the First Disposal is RMB31,236.5898 million which shall be settled in cash by Minmetals Land Holdings to the Company in the following manner:

(1) RMB15,618.2949 million, being 50% of the consideration, which shall be paid by Minmetals Land Holdings to the Company within twenty(20) days after the date on which the Board has passed a resolution to approve the First Disposal (i.e. no later than 28 December 2025); and

(2) RMB15,618.2949 million, being the balance of the consideration, shall be paid by Minmetals Land Holdings to the Company on the date of Completion.

Basis of the consideration

The consideration was determined after arm's length negotiations between the Company and Minmetals Land Holdings, after taking into consideration: (a) the valuation results of the entire equity interest and the Debts of MCC Real Estate made by the Valuer as at 31 July 2025; and (b) the consolidated financial position and performance of MCC Real Estate.

Conditions Precedent

Completion is conditional upon the following:

(1) the Independent Shareholders having passed resolutions formally approving the Disposals and the transactions contemplated thereunder the Sale and Purchase Agreements;

(2) the asset valuation results relating to the First Disposal with the relevant state-owned asset authorities having been duly filed, and the necessary approvals for the economic transaction having been completed;

(3) with respect to the guarantee agreements entered into by the Company in favour of MCC Real Estate and/or its subsidiaries as detailed in the First Sale and Purchase Agreement, the Company and Minmetals Land Holdings having duly cooperated to resolve such guarantees by either: (a) completing the substitution of guarantor under the relevant guarantee agreements by replacing the Company with Minmetals Land Holdings or its designated entity(ies) and executing the amended agreements no later than the date of Completion; or (b) procuring the release of the Company's guarantee obligations by the relevant creditors no later than the date of Completion; or (c) if neither (a) or (b) above can be achieved, subject to approval from the Independent Shareholders, China Minmetals or its designated entity shall provide a counter-guarantee to the Company, effective until the Company's guarantee obligations expire or are released; and

(4) all outstanding loans and interest owed by MCC Real Estate and its subsidiaries to the Group having been fully repaid.

As at the date of this announcement, (i) condition precedent (2) above has been fulfilled; and (ii) with respect to condition precedent (3), other than the Existing Guarantee, the Company expects that other guarantees provided in favour of MCC Real Estate and/or its subsidiaries will be dealt with in accordance with sub-conditions (a) and (b) under condition precedent (3) above. The Company and Minmetals Land Holdings shall each use its reasonable endeavours, within its respective scope of responsibility, to procure the satisfaction of the conditions precedent set out in the First Sale and Purchase Agreement. Notwithstanding the foregoing, the matters set out in conditions precedent (3) and (4) above shall be ensured by the Company or Minmetals Land Holdings (pursuant to applicable laws or the terms of the First Sale and Purchase Agreement) to be completed no later than the date of the Shareholders' approval of the Disposals.

Transitional Arrangements

From the Reference Date until the last day of the month in which the Handover Date falls, any profits or losses (including any profits or losses generated by activities outside the ordinary and usual course of business of MCC Real Estate) and the interests accrued on the Debts related to the First Disposal (the "**First Disposal Transitional Profits and Losses Attributable to the Vendor**") shall be enjoyed and borne by the Company. From the first day of the month following the Handover Date, any profits or losses related to the Target Equity Interests and the interests accrued on the Debts of MCC Real Estate shall be enjoyed and borne by Minmetals Land Holdings, unless otherwise agreed by the parties. For the avoidance of doubt, the interest under Debts shall be calculated according to original standard as of the Reference Date.

Following the Handover Date, the Company and Minmetals Land Holdings shall commence an audit of the First Disposal Transitional Profits and Losses Attributable to the Vendor. Settlement and payment of such profits and losses shall be completed within thirty(30) days after the issuance date of the relevant audit report or date of Completion (whichever is later).

Completion

(1) Completion of the First Disposal shall take place on the fifth(5) day after the date on which the last of the conditions precedent under the First Sale and Purchase Agreement are fulfilled, or such other date as may be mutually agreed between the parties. Upon the date of Completion, ownership of MCC Real Estate shall pass from the Company to Minmetals Land Holdings unless otherwise agreed by the parties.

(2) With effect from the Handover Date, the Company shall transfer to Minmetals Land Holdings all authority relating to the business operations, management, and personnel appointments of MCC Real Estate. The specific arrangements for such transfer of management rights may be separately agreed by the Company and Minmetals Land Holdings through other arrangements. The Debts shall also be assigned by the Company to Minmetals Land Holdings with effect from the Handover Date.

(3) For the avoidance of doubts, completion of the First Disposal will be conditional upon the approval by the Independent Shareholders on the Disposals and the transactions contemplated thereunder the Sale and Purchase Agreements. The timing for completion of each of the disposals under the Sale and Purchase Agreements may vary depending on the fulfilment of the regulatory approvals and other conditions applicable in respect of such disposal.

Liability for Breach

In the event that either the Company or Minmetals Land Holdings breaches any provision of the First Sale and Purchase Agreement, the party in breach shall be liable to compensate the other parties for the actual losses incurred as a result of such breach.

Termination

(1) Prior to Completion, the First Sale and Purchase Agreement may be terminated under any of the following circumstances: (a) if Completion has not taken place within twenty-four(24) months from the date of the First Sale and Purchase Agreement, or within such extended period as may be mutually agreed by the Company and Minmetals Land Holdings, either party may elect to terminate the First Sale and Purchase Agreement. However, if the failure of Completion by the aforementioned date is attributable to a breach by either party of its obligations under the First Sale and Purchase Agreement, such party in breach shall not be entitled to terminate the First Sale and Purchase Agreement; or (b) upon mutual written agreement of the Company and Minmetals Land Holdings.

    Notwithstanding the foregoing, in the event that any of the above circumstances arise and neither party elects to terminate the First Sale and Purchase Agreement, the parties shall engage in amicable consultations to determine the appropriate course of action.

(2) Upon termination of the First Sale and Purchase Agreement pursuant to the circumstances above, Minmetals Land Holdings shall not be obligated to pay any outstanding consideration under the First Sale and Purchase Agreement. The Company shall, within ten(10) days from the date of termination, refund in full any and all consideration already paid by Minmetals Land Holdings (if any), together with interest calculated on a simple basis at the Loan Prime Rate (LPR) published by the National Interbank Funding Center for the corresponding period. If the termination is caused by either Minmetals Land Holdings or the Company, the responsible party shall bear any costs and taxes arising from such termination (if applicable). If the termination is not attributable to either party, Minmetals Land Holdings and the Company shall each bear 50% of any costs and taxes incurred as a result of the termination (if applicable).

B. THE SECOND SALE AND PURCHASE AGREEMENT

The principal terms of the Second Sale and Purchase Agreement are as follows:

Date

8 December 2025

Parties

(1) The Company (as a Vendor)

(2) China Huaye (as a Vendor)

(3) China Minmetals (as Purchaser)

Subject Matter

Pursuant to the terms and conditions of the Second Sale and Purchase Agreement:

(1) the Company agreed to sell, and China Minmetals agreed to purchase, (a) the entire equity interest in each of Non-ferrous Engineering, MCC Tongsin Resources and MCC Ramu; and (b) 67.02% equity interest in MCC-JJJ Mining; and

(2) China Huaye agreed to sell, and China Minmetals or its designated entity(ies) agreed to purchase, the entire equity interest in MCC Duddar.

Consideration

The total consideration for the Second Disposal is RMB29,439.7326 million, of which:

(1) in respect of the acquisition of the entire equity interest in Non-ferrous Engineering, China Minmetals shall pay RMB10,495.5790 million to the Company;

(2) in respect of the acquisition of the entire equity interest in MCC Tongsin Resources, China Minmetals shall pay RMB12,240.7206 million to the Company;

(3) in respect of the acquisition of the entire equity interest in MCC Duddar, China Minmetals or its designated entity(ies) shall pay RMB1,656.7205 million to China Huaye, or an equivalent amount in foreign currency calculated based on the exchange rate published by the People's Bank of China on the payment date;

(4) in respect of the acquisition of 67.02% equity interest in MCC-JJJ Mining, China Minmetals shall pay RMB5,035.7986 million to the Company; and

(5) in respect of the acquisition of the entire equity interest in MCC Ramu, China Minmetals shall pay RMB10.9139 million to the Company.

which shall be settled in cash by China Minmetals to the Vendors in the following manner:

(1) RMB14,719.8663 million, being 50% of the consideration, which shall be paid by China Minmetals (or, in the case of consideration payable in respect to MCC Duddar, by such entity(ies) as maybe designated by China Minmetals) to the Vendors within twenty(20) days after the date on which the Board has passed a resolution to approve the Disposals (i.e. no later than 28 December 2025); and

(2) RMB14,719.8663 million, being the balance of the consideration, shall be paid by China Minmetals (or, in the case of consideration payable in respect to MCC Duddar, by such entity(ies) as designated by China Minmetals) to the Vendors on the date of Completion.

The Vendors and China Minmetals agree that the conditions precedent stipulated under the Second Sale and Purchase Agreement are separate and independent for each Target Company. If the conditions precedent for any Target Company are not satisfied, it will not affect China Minmetals' obligations to pay the corresponding consideration and the Vendors' obligations in respect to completion for the other Target Companies under the terms and conditions of the Second Sale and Purchase Agreement.

Basis of the consideration

The consideration was determined after arm's length negotiations between the Vendors and China Minmetals, after taking into consideration: (a) the valuation results of the relevant Target Equity Interests of each of Non-ferrous Engineering, MCC Tongsin Resources, MCC Duddar, MCC-JJJ Mining and MCC Ramu and made by the Valuer as at 31 July 2025; and (b) the consolidated financial position and performance of each of Non-ferrous Engineering, MCC Tongsin Resources, MCC Duddar, MCC-JJJ Mining and MCC Ramu.

Conditions Precedent

Completion is conditional upon the following:

(1) any other shareholders of Non-ferrous Engineering, MCC Tongsin Resources, MCC Duddar, MCC-JJJ Mining and MCC Ramu (if any) having consented to the transfer of the Target Equity Interests (if applicable) and having waived all pre-emptive or preferential rights in respect of such transfer, including any rights of first refusal;

(2) the Independent Shareholders of the Company and shareholders of China Huaye having respectively passed resolutions formally approving the First Disposal and the Second Disposal; with respect to MCC Tongsin Resources, MCC Duddar and MCC Ramu only, Completion under the First Sale and Purchase Agreement having been completed or is being completed concurrently;

(3) the asset valuation results relating to the Second Disposal with the relevant state-owned asset authorities having been duly filed, and the necessary approvals for the economic transaction having been completed;

(4) the necessary government approvals in respect of the Second Disposal having been obtained; and

(5) the outstanding debts and interests under the relevant loan agreements owed by the relevant Target Companies and/or their subsidiaries relating to the Second Disposal to the Group having been fully settled.

As at the date of this announcement, condition precedent (3) above has been fulfilled. China Minmetals and the Vendors shall each use its reasonable endeavours, within its respective scope of responsibility, to procure the satisfaction of the conditions precedent set out in the Second Sale and Purchase Agreement. Notwithstanding the foregoing, the matters set out in conditions precedent (1) and (5) above shall be ensured by China Minmetals or the Vendors (pursuant to applicable laws or the terms of the Second Sale and Purchase Agreement) to be completed no later than the date of the Shareholders' approval of the Disposals.

Transitional Arrangements

From the Reference Date until the last day of the month in which the Handover Date falls, any profits or losses related to the Target Equity Interests under the Second Disposal (including any profits or losses generated by activities outside the ordinary and usual course of business of the Target Companies under the Second Disposal) (the "**Second Disposal Transitional Profits and Losses Attributable to the Vendors**") shall be enjoyed and borne by the Vendors or their designated entity(ies). From the first day of the month following the Handover Date, any profits or losses related to the Target Equity Interests under the Second Disposal shall be enjoyed and borne by China Minmetals or its designated entity(ies), unless otherwise agreed by the parties.

Following the Handover Date, the Vendors and China Minmetals shall commence an audit of the Second Disposal Transitional Profits and Losses Attributable to the Vendors. Settlement and payment of such profits and losses shall be completed within thirty(30) days after the issuance date of the relevant audit report or date of Completion (whichever is later).

Completion

(1) Completion of the Second Disposal shall take place on the fifth(5) day after the date on which the last of the conditions precedent under the Second Sale and Purchase Agreement are fulfilled or waived, or such other date as may be mutually agreed between the parties. Upon the date of Completion, ownership of the relevant Target Equity Interests in the Target Companies under the Second Disposal shall pass from the Vendors to China Minmetals unless otherwise agreed by the parties.

(2) With effect from the Handover Date, the Vendors shall transfer to China Minmetals all authority relating to the business operations, management, and personnel appointments of the Target Companies under the Second Disposal. The specific arrangements for such transfer of management rights may be separately agreed by the Vendors and China Minmetals through other arrangements.

(3) For the avoidance of doubts, completion of the Second Disposal will be conditional upon the approval by the Independent Shareholders on the Disposals and the transactions contemplated thereunder the Sale and Purchase Agreements. The timing for completion of each of the disposals under the Sale and Purchase Agreements may vary depending on the fulfilment of the regulatory approvals and other conditions applicable in respect of such disposal.

Liability for Breach

In the event that either the Vendors or China Minmetals breaches any provision of the Second Sale and Purchase Agreement, the party in breach shall be liable to compensate the other parties for the actual losses incurred as a result of such breach.

Termination

(1) Prior to Completion, the Second Sale and Purchase Agreement may be terminated under any of the following circumstances: (a) if Completion has not taken place within twenty-four(24) months from the date of execution of the Second Sale and Purchase Agreement, or within such extended period as may be mutually agreed by China Minmetals and the Vendors, either party may elect to terminate the First Sale and Purchase Agreement. However, if the failure of Completion by the aforementioned date is attributable to a breach by either party of its obligations under the Second Sale and Purchase Agreement, such party in breach shall not be entitled to terminate the Second Sale and Purchase Agreement; or (b) upon mutual written agreement to terminate the Second Sale and Purchase Agreement by China Minmetals and the Vendors.

Notwithstanding the foregoing, in the event that any of the above circumstances arise and neither party elects to terminate the Second Sale and Purchase Agreement, the parties shall engage in amicable consultations to determine the appropriate course of action.

(2) Upon termination of the Second Sale and Purchase Agreement pursuant to the circumstances above, China Minmetals shall not be obligated to pay any outstanding consideration under the Second Sale and Purchase Agreement. The Vendors shall, within ten (10) days from the date of termination, refund in full any and all consideration already paid by China Minmetals (if any), together with interest calculated on a simple basis at the Loan Prime Rate (LPR) published by the National Interbank Funding Center for the corresponding period. If the termination is caused by either China Minmetals or the Vendors, the responsible party shall bear any costs and taxes arising from such termination (if applicable). If the termination is not attributable to either party, China Minmetals and the Vendors shall each bear 50% of any costs and taxes incurred as a result of the termination (if applicable). For the avoidance of doubt, if Completion for any Target Company under the Second Disposal does not occur, such failure will not result in the termination of the entire Second Sale and Purchase Agreement. The termination will be limited solely to the matters relating to the relevant Target Company(ies) for which Completion has not taken place. The provisions concerning the transfer of equity interests in the other Target Companies between China Minmetals and the Venders will remain in full force.

C. Valuation of the Target Companies

Based on the valuation reports prepared by the Valuer, the valuation of the Target Equity Interests of the Target Companies and the Debts as at the Reference Date was approximately RMB60,676 million. Set out below are the value of the entire equity interests of the Target Companies and the Debts as at the Reference Date, the value of the Target Equity Interests and the Debts as represented by the Valuation, and the consideration for the Target Equity Interests and the Debts:

Subject	Valuation *(RMB million)*	Equity interests sought	Value of the Target Equity Interests and the Debts *(RMB million)*	Consideration *(RMB million)*
First Disposal:				
MCC Real Estate and the Debts	31,236.5898	100%	31,236.5898	31,236.5898
Second Disposal:				
Non-ferrous Engineering	10,495.5790	100%	10,495.5790	
MCC Tongsin Resources	12,240.7206	100%	12,240.7206	
MCC Duddar	1,656.7205	100%	1,656.7205	
MCC-JJJ Mining	7,513.8024	67.02%	5,035.7986	
MCC Ramu	10.9139	100%	10.9139	
Sub-total	31,917.7364		29,439.7326	29,439.7326
Total	**63,154.3262**		**60,676.3224**	**60,676.3224**

The valuation was conducted by the Valuer using (i) the asset-based approach in respect of the portfolio of the underlying assets of MCC Real Estate (constituting the entire equity interest of MCC Real Estate and the Debts as a whole), and the income approach in respect of the entire equity interest of MCC Real Estate; (ii) the asset-based approach in respect of Non-Ferrous Engineering, MCC Duddar, MCC-JJJ Mining and MCC Ramu; and (iii) the income approach in respect of MCC Tongsin Resources.

The valuation of the entire equity interest of MCC Tongsin Resources and MCC Real Estate as at 31 July 2025 assessed in each of the valuation report of MCC Tongsin Resources and MCC Real Estate was prepared using the discounted cash flow method under income-based approach and under certain assumptions. As such, such valuation constitutes a profit forecast under Rule 14.61 of the Listing Rules.

Details of the key assumptions of the valuation of MCC Tongsin Resources and MCC Real Estate are set out below:

General assumptions

(1) Transaction assumption: It is assumed that all assets subject to valuation are in the transaction process. The asset valuation professionals estimate the value of the assets subject to valuation by simulating market conditions based on the assumed transaction conditions.

(2) Open Market Assumption: The open market assumption refers to an assumption of the conditions of the market to be entered by assets and the influence to be faced by assets in such market conditions. An open market refers to fully developed and complete market conditions in which there is a competitive market atmosphere containing willing buyers and sellers. In this market, buyers and sellers are equal in status, accessible to the opportunities and time for obtaining sufficient market information, and transactions between buyers and sellers are conducted voluntarily, rationally, without coercion or constraint.

(3) Asset Continuity of Use Assumption: The continuity of use assumption refers to an assumption of the conditions of the market to be entered by assets and the status of assets in such a market condition. Firstly, it is assumed that the evaluated assets are in a status of use. Secondly, it is assumed that the assets in use will continue to be used. Under the continuity of use assumption, potential changes in the asset's use or its optimal utilization are not considered. Thus, the valuation results are subject to a restricted scope of applicability.

(4) Going Concern Assumption for the Enterprise: It is assumed that the production and business operations of the appraised equity interest can continue to be based on their current status. Furthermore, it is assumed that no significant changes will occur in its operating conditions within the foreseeable future.

Special assumptions

(1) It is assumed that the external economic environment of this valuation as of the valuation date remains unchanged and that there are no significant changes in the national macroeconomic conditions. No unforeseeable or force majeure events are assumed to occur that would materially and adversely affect the valuation results.

(2) It is assumed that the social and economic environment in which the enterprise operates, as well as policies such as taxation, exchange rates, and tax rates, remain substantially unchanged.

(3) It is assumed that the enterprise's future management team will perform its duties diligently and maintain the current management model.

(4) It is assumed that the various business-related licenses and qualifications of the appraised entity will be successfully renewed upon expiry after going through the relevant approval procedures, maintaining their ongoing validity.

(5) It is assumed that the appraised entity fully complies with all relevant national laws and regulations, adheres to national industrial policies, and will not be subject to major violations that could affect the company's development and revenue realization.

(6) It is assumed that the assets subject to this valuation are based on their actual inventory as of the valuation date and that current market prices are determined with reference to effective domestic prices as of the valuation date.

(7) It is assumed that the accounting policies adopted by the appraised entity after the valuation date will remain consistent, in all material respects, with those used in preparing the valuation report.

(8) It is assumed that, after the valuation date, the business scope and mode of the appraised entity will remain consistent with the current status, based on the existing management methods and management levels.

(9) It is assumed that the enterprise will maintain its existing credit policy and will not encounter significant issues with receivables collection.

(10) With respect to the valuation of the equity interests of MCC Real Estate only, the real estate development project of MCC Real Estate is based on a finite-term business premise. This is a valuation assumption applied to the enterprise as a whole asset. It posits that as an operation entity, the enterprise will continue to operate under its current objectives and external environment without initiating new real estate projects, and will liquidate and cease operations upon completion of its existing real estate project portfolio.

(11) With respect to the valuation report of MCC Tongsin Resources only, it is assumed that cash inflows for the evaluated entity after the valuation date occur evenly throughout the period, and cash outflows also occur evenly.

(12) With respect to the valuation of the equity interests of MCC Real Estate only, the valuation scope is based on the range of assets provided by the appraised entity. Any potential contingent assets or contingent liabilities not identified or provided have not been considered in the valuation.

(13) It is assumed that all foundational information and financial data provided by the appraised entity are true, accurate, and complete.

Confirmations

WUYIGE Certified Public Accountants. LLP (大信會計師事務所(特殊普通合夥)) has been engaged as the Reporting Accountant by the Company to examine the calculations of the discounted cash flows upon which the valuation of the entire equity interests of MCC Tongsin Resources and MCC Real Estate were based, which do not involve the adoption of accounting policies, and the reasonableness and validity of the assumptions.

The Directors reviewed and considered the valuation of the entire equity interests of MCC Real Estate and MCC Tongsin Resources including the principal assumptions upon which the valuation were based. The Board has also considered the report from the Reporting Accountant. On the basis of the foregoing, the Directors are of the opinion that the discounted cash flow upon which the valuation of the entire equity interests of MCC Real Estate and MCC Tongsin Resources was based has been made after due and careful enquiry by the Directors (other than Mr. Chen Jianguang and Mr. Yan Aizhong who are deemed to be interested in the Disposal due to their positions in China Minmetals and/or CMGC).

China International Capital Corporation Hong Kong Securities Limited has been engaged as the Financial Advisor by the Company and has confirmed that it is satisfied that the discounted cash flows upon which the valuation of the entire equity interests of MCC Real Estate and MCC Tongsin Resources were based has been made by the Directors after due and careful enquiry.

A report from the Reporting Accountant and a letter from the Financial Adviser are included in the appendices to this announcement for the purpose of Rule 14.60A of the Listing Rules.

Experts and Consents

The qualifications of the Reporting Accountant, the Valuer and the Financial Advisor are as follows:

Experts	**Qualifications**
WUYIGE Certified Public Accountants. LLP	Certified Public Accountant
SinoValue Assets Appraisal Co., Ltd* (中水致遠資產評估有限公司)	Independent professional valuer
China International Capital Corporation Hong Kong Securities Limited	A licensed corporation under the SFO, licensed to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 6 (advising on corporate finance) regulated activities under the SFO

As at the Latest Practicable Date, each of the experts above (a) did not own any shareholding, directly or indirectly, in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and (b) did not have any direct or indirect interest in any assets which had been acquired, or disposed of by, or leased to any member of the Group, or were proposed to be acquired, or disposed of by, or leased to any member of the Group since 31 December 2024, being the date to which the latest published audited financial statements of the Group were made up.

Each of the experts above has given and has not withdrawn its written consent to the issue of this announcement with the inclusion herein of its opinion or report and the references to its name and/or its opinion or report in the form and context in which they respectively appear.

D. INFORMATION OF THE PARTIES

(1) The Group

The Group has strong construction capabilities in metallurgical engineering. It is a large conglomerate operating in various specialized fields, across different industries and in many countries. In recent years, the Company has remained committed to its goals for "one building, two most, five strong", being the goals established by the Company to creating a world-class enterprise with global competitiveness as the guiding principle; building the best full-service solution provider for metallurgical construction and operation with super core competitiveness, being the most reliable general contractor in infrastructure with global reputation and domestic leading position as its target, in order to become a world-class investment and construction group distinguished by its strong value creation ability, market competitiveness, innovative capabilities, resource allocation efficiency and cultural soft power. The Group ranked 7th in ENR's "Top 250 Global Contractors" in 2025.

China Huaye is a company established in the PRC with limited liability and a non-wholly owned subsidiary of the Company, being owned as to 78.77% by the Company. China Huaye is principally engaged in engineering contracting.

(2) The Purchasers

China Minmetals is a state-owned enterprise established in the PRC. It is a comprehensive conglomerate focusing on metal and mineral resources sector, with business segments spanning mining, trade and logistics, financial services, and property development. China Minmetals possesses integrated capabilities across the entire metal and mining industry value chain.

Minmetals Land Holdings is a subsidiary of China Minmetals. Minmetals Land Holdings is principally engaged in real estate development and property management.

(3) The Target Companies

MCC Real Estate

MCC Real Estate is a company established in PRC. MCC Real Estate is a specialized real estate enterprise principally engaged in both real estate development and property management. As at the date of this announcement, MCC Real Estate is a wholly owned subsidiary of the Company.

Set out below is a summary of the consolidated financial information of MCC Real Estate for the two financial years ended 31 December 2023 and 2024 and the seven months ended 31 July 2025 prepared in accordance with China Accounting Standards, respectively:

	For the year ended 31 December		**For the seven months ended**
	2023	**2024**	**31 July 2025**
	RMB (million)	*RMB (million)*	*RMB (million)*
Net profit/(loss) before tax	(2,995.71)	(4,996.61)	(25,492.38)
Net profit/(loss) after tax	(3,022.06)	(4,855.75)	(25,438.42)

The consolidated net liabilities of MCC Real Estate as at 31 July 2025 was approximately RMB16,275.51 million.

Non-ferrous Engineering

Non-ferrous Engineering is a company established in the PRC. Non-ferrous Engineering is principally engaged in the provision of engineering design and supporting engineering services in the field of non-ferrous sector. As at the date of this announcement, Non-ferrous Engineering is a wholly-owned subsidiary of the Company.

Set out below is a summary of the consolidated financial information of Non-ferrous Engineering for the two financial years ended 31 December 2023 and 2024 and the seven months ended 31 July 2025 prepared in accordance with China Accounting Standard, respectively:

	For the year ended 31 December		**For the seven months ended**
	2023	**2024**	**31 July 2025**
	RMB (million)	*RMB (million)*	*RMB (million)*
Net profit/(loss) before tax	533.25	421.95	146.49
Net profit/(loss) after tax	460.61	339.37	112.54

The consolidated net asset value of Non-ferrous Engineering as at 31 July 2025 was approximately RMB4,771.04 million.

MCC Tongsin Resources

MCC Tongsin Resources is a company established in British Virgin Islands. MCC Tongsin Resources principally engaged in resource development. MCC Tongsin Resources principally operates the Aynak copper mine project in Afghanistan, Sandak copper-gold mine project in Pakistan, and the Siah Dik copper mine Project in Pakistan. As at the date of this announcement, MCC Tongsin Resources is a wholly owned subsidiary of the Company.

Set out below is a summary of the consolidated financial information of MCC Tongsin Resources for the two financial years ended 31 December 2023 and 2024 and the seven months ended 31 July 2025 prepared in accordance with China Accounting Standards, respectively:

	For the year ended 31 December		**For the seven months ended**
	2023	**2024**	**31 July 2025**
	RMB (million)	*RMB (million)*	*RMB (million)*
Net profit/(loss) before tax	125.87	313.86	212.80
Net profit/(loss) after tax	105.35	275.15	209.46

The consolidated net asset value of MCC Tongsin Resources as at 31 July 2025 was approximately RMB5,097.98 million.

MCC Duddar

MCC Duddar is a company established in Pakistan. MCC Duddar principally operates the Duddar lead-zinc mine project located in Pakistan. The main assets of the Duddar lead-zinc include an underground mine, a beneficiation plant, tailing facilities and related ancillary facilities. The main products of the mine are lead concentrate and zinc concentrate. As at the date of this announcement, MCC Duddar is a wholly-owed subsidiary of China Huaye, which is in turn held as to 78.77% by the Company.

Set out below is a summary of the financial information of MCC Duddar for the two financial years ended 31 December 2023 and 2024 and the seven months ended 31 July 2025 prepared in accordance with China Accounting Standards, respectively:

	For the year ended 31 December		**For the seven months ended**
	2023	**2024**	**31 July 2025**
	RMB (million)	*RMB (million)*	*RMB (million)*
Net profit/(loss) before tax	115.67	249.38	276.77
Net profit/(loss) after tax	113.62	150.76	149.41

The net asset value of MCC Duddar as at 31 July 2025 was approximately RMB186.24 million.

MCC-JJJ Mining

MCC-JJJ Mining is a company established in PRC and is principally engaged in resource development. MCC-JJJ Mining serves as the domestic investment entity for the Ramu Project. The assets of the Ramu Project include an open-pit mine, a beneficiation plant, a slurry or ore storage facility and a refinery for nickel-cobalt mixed hydroxide. As at the date of this announcement, MCC-JJJ Mining is a non-wholly owned subsidiary of the Company, held as to 67.02% by the Company.

Set out below is a summary of the consolidated financial information of MCC-JJJ Mining for the two financial years ended 31 December 2023 and 2024 and the seven months ended 31 July 2025 prepared in accordance with China Accounting Standards, respectively:

	For the year ended 31 December		**For the seven months ended**
	2023	**2024**	**31 July 2025**
	RMB (million)	*RMB (million)*	*RMB (million)*
Net profit/(loss) before tax	1,029.04	459.83	228.35
Net profit/(loss) after tax	1,027.38	445.84	229.78

The consolidated net asset value of MCC-JJJ Mining as at 31 July 2025 was approximately RMB3,598.17 million.

MCC Ramu

MCC Ramu is a company established in Papua New Guinea. As at the date of this announcement, MCC Ramu is a wholly owned subsidiary of the Company.

MCC Ramu is the project management company in charge of the construction, development and operations of the Ramu Project. The Ramu Project is operated under an unincorporated joint venture structure commonly adopted in the international mining industry. MCC Ramu does not enjoy any economic benefits arising from the Ramu Project as all operating results are allocated directly to the shareholders of the unincorporated joint venture in accordance with relevant agreements. Accordingly, MCC Ramu does not recognise any revenue or profit.

The net asset value of MCC Ramu as at 31 July 2025 was approximately RMB2,600.

E. FINANCIAL EFFECTS OF THE DISPOSALS

After completion of the Disposals, each of the Target Companies will cease to be subsidiaries of the Company and the financial results of each of the Target Companies will no longer be consolidated into the financial statements of the Company.

For illustration purposes, assuming the Disposals had completed on 30 June 2025, it is expected that the Group will record a loss of approximately RMB2,519 million from the Disposals, which is calculated as follows:

	RMB (million)
Consideration of the Disposals	60,676
Less: net assets of MCC Real Estate attributable to the parent as at 30 June 2025	(6,041)
Less: net assets of Non-ferrous Engineering attributable to the parent as at 30 June 2025	(4,277)
Less: net assets of MCC Tongsin Resources attributable to the parent as at 30 June 2025	(4,759)
Less: net assets of MCC Duddar attributable to the parent as at 30 June 2025	(245)
Less: net assets of MCC-JJJ Mining attributable to the parent as at 30 June 2025	(2,413)
Less: net assets of MCC Ramu attributable to the parent as at 30 June 2025	(0.0026)
Less: the carrying value of the Debts as at 30 June 2025	(46,164)
Add: write-off of intercompany unrealised gains and losses and other impact items related to the Target Companies as at 30 June 2025	787
Add: the Target Companies' other comprehensive income reclassified to profit or loss as at 30 June 2025	381
Less: transaction costs related to the Disposals	(464)
Estimated loss on Disposals	**(2,519)**

The actual figures will be subject to audit by the auditors of the Company and therefore may be different from the aforementioned amount.

The net proceeds from the Disposals (after deducting relevant costs and expenses in connection with the Disposals) are estimated to be approximately RMB60,213 million. The Group intends to apply the net proceeds from the Disposals as follows:

(i) Approximately 75% to support the Group's diversified business system of "One Core, Two Main Bodies and Five Features", where proceeds shall be applied towards strengthening (a) the Group's metallurgical construction business as the "Core"; (b) new industrialisation and new urbanisation as the "Main Bodies", and (c) construction services, new materials, high-end equipment environmental protection and intelligent application businesses as the "Features". The Company will allocate the funds according to the actual progress and financial needs of the individual projects and make capital injection into its relevant subsidiaries to provide them with the necessary capital to implement the following intended use of proceeds:

    (a) The Group intends to strengthen its core metallurgical construction business, where funds will primarily be directed towards building advanced research platforms, upgrading equipment manufacturing, and enhancing the overall research system, with the objective of reinforcing the Group's leadership in its core metallurgical construction business. In particular, the Group intends to (i) further invest in national key laboratories to better integrate research with its engineering capabilities and accelerate optimisation of its national industrial technology engineering centres; (ii) apply funds towards upgrading equipment manufacturing, including hydrogen-based direct reduction smelting technology and ultra-thick zinc-aluminum-magnesium coating technology, with the objective of achieving international benchmarks in energy efficiency; and (iii) enhance its overall research system through the development of new technologies that help the steel industry reduce pollution and carbon emissions through smarter "quality–energy–carbon" management systems.

Globally, the steel and non-ferrous metals industries are under immense pressure to transform towards greener, smarter, and more efficient operations, driving strong demand for advanced technologies and engineering capabilities. At present, the Group operates 28 national-level scientific research and development platforms, including the "National Key Laboratory for Environmental Protection in the Steel Industry," which is the only national key laboratory in China dedicated to environmental protection in steel metallurgy and represents the highest level of research in the industry. Leveraging this platform, the Company has established a comprehensive R&D system covering green and low-carbon technologies, intelligent control, and efficient resource utilisation, and has undertaken multiple major national science and technology projects. By supporting green upgrades of existing steel plants and mines, the Group aims to boost efficiency, cut emissions, and contribute to the achievement of China's "dual-carbon" targets.

(b) The Group also intends to advance new industrialisation and new urbanisation and apply proceeds towards research and development of advanced construction technologies, upgrading equipment, and implementing projects that respond to China's national strategies of building a manufacturing powerhouse and promoting high-quality urban development. The Group intends to direct funds towards (i) research on urban renewal policies and innovative business models, while exploring overseas opportunities to secure construction and infrastructure concession rights; (ii) research and development of high-end manufacturing facilities to create full-process solutions that cover design, construction, commissioning, and operations, and to reinforce smart industrial park integration; (iii) acceleration of the development and pilot application of integrated urban renewal technologies to address common issues in aging residential communities; and (iv) participation in new infrastructure projects such as data centers, new energy charging networks, and distributed energy storage, with the aim of achieving a transformation from a traditional contractor into a comprehensive service provider for modern city building and industrial upgrading; and

(c) The Group further intends to apply the proceeds towards the development of its construction services, new materials, high-end equipment, energy and environmental protection and intelligent application businesses. In particular, the Group intends to: (i) for construction services, to focus on developing a comprehensive consulting, project management, inspection and monitoring services for ferrous metallurgical construction; (ii) for new materials, to accelerate the industrialisation of high-performance specialty metals, invest in functional copper-based materials and advance refractory carbon bricks and world-class carbon materials; (iii) for high-end equipment, to research and develop specialised equipment such as smart welding robots, automated piling machines, and robotic arms for modular construction; (iv) for energy and environmental protection, to further develop industrial energy-saving and resource recycling technologies, while expanding into urban environmental infrastructure by investing in wastewater treatment, sludge resource utilisation, and solid waste management, building integrated solutions; and (v) for intelligent application, to further invest in industrial software and digital platforms, focusing on integrated monitoring technologies and AI-driven solutions and to build models and simulation software for its metallurgical processes to enable dynamic data analysis, automated monitoring, and compliance support for its operations; and

(ii) Approximately 25% will be used to supplement the working capital of the Remaining Group and repay its existing indebtedness, with a view to optimising its financial structure and reducing financial leverage and debt burden.

The Company expects to fully utilise the net proceeds from the Disposal within five to ten years upon receipt of the proceeds. The Company will disclose in its future annual and interim reports developments in its investment segments where the proceeds from the Disposals are being deployed.

F. REASONS AND BENEFITS OF THE DISPOSALS

The Disposals represent a proactive response to the relevant directives advocating for central state-owned enterprises to focus on their principal businesses, promote specialised integration and optimise resource allocation. It is a key initiative undertaken by the Group as it enters into a new phase of development under the "15th Five-Year Plan" and advances its commitment to high-quality growth. By divesting its non-core assets and reallocating resources more efficiently, the Disposals will enable the Group to streamline its business portfolio, reinforce its strategic focus, and strengthen its core competitiveness and long-term profitability. Going forward, the Group will concentrate on key areas such as metallurgical engineering, non-ferrous engineering and operations, high-end infrastructure, industrial construction and emerging industries, with a view to driving sustainable high-quality development.

Following Completion of the Disposals, the Group's positioning as a core platform under China Minmetals will be reinforced, with a focus on engineering contracting and the cultivation of emerging featured industries. The divestment of non-core business assets will facilitate the redeployment of human resources, capital, and managerial resources, which will allow the Group to focus on its principal business and is expected to result in a more coherent organisational structure, and enhance operational efficiency. These changes are expected to bolster the Group's overall operational stability and risk resilience. The Group will continue to leverage its core strengths in engineering construction, technological innovation, and project management, while fostering closer and more efficient collaboration with other business segments within the China Minmetals Group, which is expected to contribute to the development of a more competitive and integrated industrial ecosystem.

(1) The industry challenges and risks faced by the Group

Since early 2025, global trade barriers and uncertainties have increased. Although the Federal Reserve System of the United State is entering into a rate-cutting cycle, the high-interest-rate environment is expected to persist in the near term. Coupled with ongoing geopolitical risks, the momentum for global economic growth has further weakened, and the strength of economic recovery is limited. The foundation for domestic economic recovery remains to be strengthened. Domestically, the foundation for economic recovery continues to require reinforcement. In this context, accelerating the transformation and upgrading of traditional industries, and embracing the new wave of technological innovation and industrial evolution, are critical to advancing high-quality development in new industrialization and urbanisation.

(a) Real estate property development segment

In recent years, the Company's real estate property business has faced slower sales cycles and tighter cash flow, which have continued to weigh on its performance and growth capacity.

(b) Mineral resources development business segment

Mining resources development projects generally require a significant amount of capital investment involve long investment cycles, significant price volatility of end products. These projects also face increasingly stringent regulatory requirements concerning environmental protection and ecological management. In the current global landscape characterised by ongoing geopolitical realignment, weakening and diverging economic growth, and heightened uncertainty in external environments and policy shifts, the Group's overseas mineral resource projects, many of which are in the preparatory phase, face extended development cycles and elevated risk exposure.

In particular, several of the Group's overseas mines remains undeveloped or at an early stage of development, with certain projects unable to progress in accordance with the original schedules over an extended period of time. Furthermore, the development of these projects would necessitate substantial capital commitments and the realisation of expected returns remains subject to uncertainty. The Group has not yet established a fully integrated metals and mining industry chain and does not possess downstream operations such as post-mining smelting, trading, and deep processing. As such, retaining mining assets would expose the Group to fluctuations in international commodity prices and construction risks associated with overseas resources development, which may result in earnings volatility and affect financial stability.

(2) Strategic rationale for the Disposals

The Disposals reflect the Group's strategic response to the evolving macroeconomic landscape, the development opportunities associated with the featured business segments and the aforementioned industry challenges and risks faced by the Group. The Group closely tracks and analyses macroeconomic policies and industry development trends, prudently evaluates and actively responds to internal and external risks, and adjusts its business strategies in a timely manner, using the certainty of high-quality development to address the uncertainty arising from the drastic changes in the external environment.

(a) Further focusing on the Group's core strengths

In response to industry challenges and segment-specific risks facing the Group, the proposed divestment represents a prudent strategic initiative of the Group, aligning with national policy and industry trends. It will enable the Group to streamline its business structure, concentrate resources on its principal operations and enhance its long-term competitiveness and profitability. This approach is aimed at reinforcing the Group's professional advantages and system integration capabilities in metallurgical engineering, ensuring that resources are concentrated on core functions. Following the divestment of non-core businesses, the Group's management will be able to concentrate its attention, managerial resources, and R&D investment on its principal business of metallurgical engineering. This will also accelerate the industrialisation of technological achievements and the development of strategic featured industries, without materially affecting the Group's continuing operations.

In connection with the disposal of the Group's real estate property development and mineral resources development segments, Non-ferrous Engineering is also subject to the Disposals. Non-ferrous Engineering is principally engaged in the provision of engineering design and supporting engineering services in the field of non-ferrous sector, which differs from the Remaining Group's metallurgy engineering and operations. As the mining resource assets subject to the Disposals are primarily related to non-ferrous metals, there exists significant business synergies with Non-ferrous Engineering and its disposal is therefore considered to be consistent with the Group's strategic focus on its core strengths. In addition, the revenue of Non-ferrous Engineering accounted for less than 2% of the Group's consolidated revenue in 2024. Accordingly, the disposal of Non-ferrous Engineering is not expected to have any material impact on the Group's ongoing business operations.

Following the divestment of non-core businesses, the Group's management will be able to devote its full strategic focus, management resources, and R&D investment to its core business of metallurgical engineering construction and operations, thereby further advancing the industrialisation of technological achievements and accelerating the development of strategic emerging industries. The divestment is not expected to have any material impact on the Group's continuing operations.

The Group is currently advancing the formulation of its "15th Five-Year Plan," which sets forth a clear roadmap for future development under the guiding principles of "core business consolidation, industrial repositioning, and resource reallocation", reinforcing its core capabilities in metallurgical engineering.

(b) Enhancing synergies with the China Minmetals Group

The Disposals help delineate business boundaries, rationalize organizational structures, and enhance operational synergy. The Disposals will help the Group define its unique value proposition within the China Minmetals Group's overall strategy and lay the groundwork for long-term growth.

The Disposals will not only facilitate a clearer delineation of business boundaries, thereby enabling a more streamlined organizational structure and improved operational coordination, but also improve the overall efficiency of asset utilisation. By disposing its non-core assets to the China Minmetals Group which possesses stronger operational capabilities and resource integration abilities, the Group will be able to optimise its business structure. This will allow the Group to focus more effectively on its core strengths in engineering construction, technological innovation, and project management, further deepening collaboration with the China Minmetals Group and jointly unlocking and creating greater value, thereby achieving high-level mutual benefit and win-win outcomes

(c) *Enhancing operational efficiency and capital returns*

By divesting non-core assets, the Group expects to improve its asset turnover and return on capital. The Disposals are also intended to serve as a catalyst for internal reform, driving the adoption of market-oriented management practices and enhancing organizational agility. It is expected that post-Disposals, there will be clearer business boundaries to streamline governance structures, reduce administrative overhead and improve operational coordination across business units.

Taking into account the historical financial performance of the Target Companies, details of which are set out in the section headed in the section headed "D. Information of the Parties – (3) The Target Companies" above, it is noted that although certain Target Companies have demonstrated stable improvement in recent years, their businesses remain subject to inherent industry challenges and risks associated with the real estate property development business and the mineral resources development businesses. In 2024, the Target Companies recorded an aggregate of RMB22,252 million in revenue, accounting for approximately 4% of the Group's total revenue in 2024 and constituting only a minor proportion of the Group's overall operations. The Disposals will enable the Group to realise the value of the Target Companies and the Debts at a fair value, representing a premium over the unaudited net asset value of Target Companies which are not engaged in the real estate sector as at 31 July 2025. Therefore, the Disposals will allow the Group to realise such asset value on a one-off basis, reduce related investment and operational risks and to safeguard the interests of the Company and its Shareholders.

The reallocation of resources will enhance capital management and financial flexibility. Proceeds from the Disposals will be used to strengthen the Group's cash flow, reduce leverage, and support strategic investments in core technologies, green transformation, and digital upgrades. Assuming the Disposals had been completed as of 30 June 2025, the asset-liability ratio is expected to decline from 78.94% by 0.07 percentage points to 78.86%. This will enable the Group to operate with greater focus and efficiency and help to accelerate its entry into high-growth, high-value sectors.

(d) *Mitigating existing risks*

By divesting MCC Real Estate which is primarily engaged in the property development business, the Group will be able to mitigate liquidity risks, project execution risks, and potential default risks. This will significantly reduce inventory pressure and capital exposure associated with the comprehensive real estate business, while enhancing the financing capacity and credit profile of the Group's core engineering operations. Proceeds from the Disposals will be redeployed to support the Group's development plans such as metallurgical technology upgrades, green and low-carbon transformation, and overseas engineering expansion – enabling the Group to "retreat in order to advance" and operate with greater agility.

The greenfield mining assets as part of the Disposals require continuous substantial capital investment for development and operation and are subject to range of external risks and constraints, including public safety concerns, mining policy uncertainties, and commodity price volatility. The disposal of the Group's overseas mines at this stage allows the Group to realize value earlier through monetisation and effectively insulate the Group from the risks associated with the subsequent operation of the mines. These projects involve long-term investment, construction and operational cycles, with significant uncertainty.

The Directors consider that the terms of the Sale and Purchase Agreements and the transactions contemplated thereunder, which are determined after arm's length negotiations among the parties to the Sale and Purchase Agreements, are on normal commercial terms and are fair and reasonable, and the Sale and Purchase Agreements and the transactions contemplated thereunder are in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as calculated in accordance with Rule 14.07 of the Listing Rules) for the Disposals is more than 75%, the Disposals constitute a very substantial disposal transaction of the Company under Rule 14.06 of the Listing Rules. Accordingly, the Sale and Purchase Agreements and the transactions contemplated thereunder are subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

In addition, China Minmetals, being the controlling shareholder of the Company, and Minmetals Land Holdings, being a subsidiary of China Minmetals, are connected persons of the Company. Pursuant to the Listing Rules, the Disposals constitute a connected transaction for the Company and are subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A the Listing Rules. China Minmetals and its respective associates will abstain from voting on the relevant resolution approving the Sale and Purchase Agreements and the transactions contemplated thereunder at the EGM.

Mr. Chen Jianguang and Mr. Yan Aizhong, who hold positions in China Minmetals and/or CMGC, are deemed to be interested in the Sale and Purchase Agreements and the transactions contemplated thereunder, therefore, they have abstained from voting on the resolution of the Board approving the entering into of the Sale and Purchase Agreements and the transactions contemplated thereunder.

The Independent Board Committee comprising all the independent non-executive Directors has been established to consider the Disposal and give a recommendation to the Independent Shareholders in respect of the Sale and Purchase Agreements and the transactions contemplated thereunder, and to advise the Independent Shareholders on how to vote of the relevant resolution at the EGM. Gram Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in the same regard.

2. PROPOSED CONNECTED TRANSACTIONS IN RELATION TO THE CONNECTED GUARANTEES ARISING FROM THE DISPOSALS

On 15 May 2024, the Company entered into the Existing Guarantee Agreement with Shandong Trust and Zhongshun Jinda, a wholly owned subsidiary of MCC Real Estate. Pursuant to the Existing Guarantee Agreement, the Company has undertaken a joint and several guarantee in respect of the debt arising from the trust loan in the principal amount not exceeding RMB700 million together with interest (the applicable interest rate is 1-year LPR with basis point, where the interest rate shall not exceed 4.2% per annum) applied for by Zhongshun Jinda from Shandong Trust for the purposes of supporting its normal business operations. The term of the Existing Guarantee is two years commencing the expiry of the debt performance period under the trust loan provided by Shandong Trust; if the principal debt under the trust loan is to be performed in instalments, the guarantee period shall be two years commencing from the expiry date of the performance period of each instalment. Further details of the Existing Guarantee are set out in the announcement of the Company dated 6 June 2024. As of the date of this announcement, the principal amount of the trust loan guaranteed by the Company under the Existing Guarantee Agreement is RMB350 million, which was drawn down by Zhongshun Jinda on 31 July 2024 with a normal tenor up to 30 July 2029 (i.e. 60 months), and if Zhongshun Jinda makes an early repayment or Shandong Trust requires early maturity, the tenor of the loan shall be up to 29 June 2027 (i.e. 35 months).

After Completion, Zhongshun Jinda will cease to be a subsidiary of the Company and will become a wholly owned subsidiary of Minmetals Land Holdings and thus the Existing Guarantee will constitute financial assistance provided by the Company to a connected person. Zhongshun Jinda has undertaken to the Company that it will not draw down the remaining balance of the trust loan in the amount of RMB350 million. As the Existing Guarantee Agreement cannot be replaced or terminated in the short term, and in order to avoid triggering a contractual default, the Company will, following Completion, continue to provide the Existing Guarantee in accordance with the Existing Guarantee Agreement pursuant to condition precedent (3) to the completion of the First Sale and Purchase Agreement. China Minmetals or its designated entity will, pursuant to the terms of the First Sale and Purchase Agreement, provide the Counter-Guarantee to the Company in relation to the Existing Guarantee and will enter into the relevant Counter-Guarantee agreement with the Company before the EGM.

The Directors (including the independent non-executive Directors) are of the view that the Existing Guarantee and the Counter-Guarantee are on arm's length basis and are on normal commercial terms and that the terms of the Existing Guarantee and the Counter-Guarantee are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

China Minmetals is a connected person of the Company pursuant to the Listing Rules. As such, each of the Existing Guarantee and the Counter-Guarantee constitute a connected transaction for the Company. As the highest applicable percentage ratio (as calculated in accordance with Rule 14.07 of the Listing Rules) exceeds 0.1% but is less than 5% for each of the Existing Guarantee and the Counter-Guarantee, the Existing Guarantee and the Counter-Guarantee are subject to the reporting, announcement and annual review requirements, but are exempt from the circular (including independent financial advice) and independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

Mr. Chen Jianguang and Mr. Yan Aizhong, who hold positions in China Minmetals and/or CMGC, are deemed to be interested in the Existing Guarantee and the Counter-Guarantee and, therefore, they have abstained from voting on the resolution of the Board approving the Existing Guarantee and the Counter-Guarantee.

The Existing Guarantee is required to be approved by the Shareholders pursuant to requirements under the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange.

3. PROPOSED APPROVAL OF THE CHANGE OF THE USE OF THE A SHARE PROCEEDS

The Company had publicly issued 3,500,000,000 A Shares in the PRC in September 2009 with RMB5.42 per Share. The proceeds from the initial public offering of A Shares amounted to RMB18,970 million. After deducting the underwriting and sponsoring fee and other expenses for offering, the actual net A Share proceeds amounted to RMB18,359 million. As at the date of the announcement, the remaining proceeds amounted to RMB960 million (including interest accrued from proceeds deposited in the bank), where such proceeds are designated for the Afghanistan Aynak Copper Mine Project.

The Aynak Copper Mine Project is operated by China Metallurgical Jiangxi Copper Aina Copper Mine Co., Ltd.* (中冶江銅艾娜克銅礦有限公司), in which 75% of its equity interest is held by MCC Tongsin Resources. As MCC Tongsin Resources will cease to be a subsidiary of the Company upon Completion, the Company proposes to reallocate the entire remaining balance of the A Share proceeds to replenish its working capital. The Board considers that the proposed change in use of A Share proceeds is in the overall interests of the Company and its Shareholders, and will support the optimisation of the Group's liquidity structure and enhance capital utilisation efficiency.

4. PROPOSED APPROVAL OF THE CHANGE OF THE USE OF THE H SHARE PROCEEDS

Dealings in the H Shares on the Main Board of the Hong Kong Stock Exchange has commenced in September 2009. The proceeds from the initial public offering of H Shares of the Company amounted to approximately HK$15,585 million. As at the date of the announcement, the used H Share proceeds of the Group amounted to HK$13,310 million in aggregate, while the unused H Share proceeds amounted to HK$2,275 million, where such proceeds are designated for the Aynak Copper Mine Project.

The Aynak Copper Mine Project is operated by China Metallurgical Jiangxi Copper Aina Copper Mine Co., Ltd.* (中冶江銅艾娜克銅礦有限公司), in which 75% of its equity interest is held by MCC Tongsin Resources. As MCC Tongsin Resources will cease to be a subsidiary of the Company upon Completion, the Company proposes to reallocate the entire remaining balance of the H Share proceeds to replenish its working capital. The Board considers that the proposed change in use of H Share proceeds is in the overall interests of the Company and its Shareholders, and will support the optimisation of the Group's liquidity structure and enhance capital utilisation efficiency.

5. EGM

The Company will convene the EGM for the Shareholders to consider and, if thought fit, approve (i) the Sale and Purchase Agreements and the transactions contemplated thereunder; (ii) the connected guarantees arising from the Disposals; (iii) the change of the use of the A Share proceeds; and (iv) the change of the use of the H Share proceeds.

Any H Shareholders, whose names appear on the Company's register of members at the close of business on Wednesday, 24 December 2025, are entitled to attend and vote at the EGM after completing the registration procedures for attending and voting at the EGM. All completed transfer documents together with the relevant share certificate(s) must be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Wednesday, 24 December 2025 for registration.

A circular containing, among other things, (i) further information on the Sale and Purchase Agreements and the transactions contemplated thereunder; (ii) the valuation reports of the Target Companies; (iii) the financial information of the Target Companies; (iv) the pro forma financial information of the Remaining Group; (v) other information as required under the Listing Rules; and (vi) the notice of the EGM, is expected to be despatched to the Shareholders on or before 12 December 2025.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

"A Shares"	domestic shares in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Shanghai Stock Exchange and traded in RMB
"Articles of Association"	the articles of association of the Company
"associates"	has the meaning ascribed to it under the Listing Rules
"Board" or "Board of Directors"	the board of directors of the Company
"China Huaye"	China Huaye Group Co., Ltd. * (中國華冶科工集團有限公司), a company established in the PRC and a non-wholly owned subsidiary of the Company
"China Minmetals"	China Minmetals Corporation* (中國五礦集團有限公司), a state wholly-owned enterprise established in the PRC under the direct control of the State-owned Assets Supervision and Administration Commission of the State Council, and the controlling Shareholder of the Company
"China Minmetals Group"	China Minmetals and its subsidiaries and associates, including CMGC and its subsidiaries, but not including the Group
"CMGC"	China Metallurgical Group Corporation* (中國冶金科工集團有限公司), a state wholly-owned enterprise established in the PRC, which holds 4.918% interests in the issued Shares of the Company, is the direct controlling Shareholder of the Company and is a wholly-owned subsidiary of China Minmetals
"Company" or "MCC"	Metallurgical Corporation of China Ltd.* (中國冶金科工股份有限公司), a joint stock company with limited liability incorporated under the laws of the PRC on 1 December 2008, and (unless the context requires otherwise) all of its subsidiaries

"Completion"	completion of the Disposals pursuant to the Sale and Purchase Agreements
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"connected transaction(s)"	has the meaning ascribed to it under the Listing Rules
"controlling Shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Counter-Guarantee'	the counter-guarantee to be provided by China Mimetals or its designated entity in favour of the Company in connection with the Existing Guarantee prior to the date of the Shareholders' approval of the Disposals
"Debts"	the aggregate amount of RMB46,164 million owed by MCC Real Estate to the Company as at the Reference Date, comprise of (i) intercompany loans and interest accrued in the aggregate amount of RMB44,388 million provided by the Company to MCC Real Estate to advance its real estate project development and construction; and (ii) dividends payable by MCC Real Estate to the Company in the aggregate amount of RMB1,776 million, which are to be assigned to Minmetals Land Holdings pursuant to the First Sale and Purchase Agreement
"Director(s)"	the director(s) of the Company, including all executive, non-executive and independent non-executive directors
"Disposals"	the First Disposal and the Second Disposal pursuant to the Sale and Purchase Agreements and the transactions contemplated thereunder (including the Existing Guarantee)
"EGM"	the 2025 first extraordinary general meeting of the Company to be convened and held
"Existing Guarantee"	the existing guarantee provided by the Company in favour of Shandong Trust on a joint and several liability basis pursuant to the terms and conditions of the Existing Guarantee Agreement with a maximum principal amount not exceeding RMB700 million, details of which are further set out in the announcement of the Company dated 6 June 2024

"Existing Guarantee Agreement"	the guarantee agreement under the Shandong Trust Jiasheng No. 22 Collective Fund Trust Plan (《山東信託•佳晟22號集合資金信託計劃之保證合同》) dated 15 May 2024 entered into between the Company, Zhongshun Jinda and Shandong Trust in relation to the Existing Guarantee, details of which are further set out in the announcement of the Company dated 6 June 2024
"Financial Adviser"	China International Capital Corporation Hong Kong Securities Limited, the financial adviser to the Company in respect of the Sale and Purchase Agreements and the transactions contemplated therein. China International Capital Corporation Hong Kong Securities Limited is a licensed corporation under the SFO, licensed to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 6 (advising on corporate finance) regulated activities under the SFO
"First Disposal"	the disposal of the entire equity interest of MCC Real Estate and the assignment of the Debts by the Company to Minmetals Land Holdings pursuant to the First Sale and Purchase Agreement
"First Sale and Purchase Agreement"	the sale and purchase agreement dated 8 December 2025 entered into between the Company and Minmetals Land Holdings in relation to the First Disposal
"Group"	the Company and all of its subsidiaries
"Handover Date"	in respect of each of the Disposals, the date on which the shareholders of the Vendors have approved the Transactions and the date on which the first instalment of the consideration under each of the Sale and Purchase Agreements having been completed (whichever is later)
"H Shares"	overseas listed foreign shares in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars and are listed on the Hong Kong Stock Exchange
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC

"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Independent Board Committee"	the independent board committee of the Company formed to consider the Sale and Purchase Agreements and all the transactions contemplated thereunder, comprising all independent non-executive Directors, namely, Mr. Liu Li, Mr. Ng, Kar Ling Johnny and Ms. Zhou Guoping
"Independent Financial Adviser" or "Gram Capital"	Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the Sale and Purchase Agreements and all the transactions contemplated thereunder described in this announcement
"Independent Shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Latest Practicable Date"	5 December 2025
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"MCC Duddar"	MCC Huaye Duddar Mining Company (Pvt) Limited (中國華冶杜達礦業有限公司*), a company established in Pakistan and a non-wholly owned subsidiary of the Company
"MCC Ramu"	Ramu NiCo Management (MCC) Limited (瑞木鎳鈷管理(中冶)有限公司*), a company established in Papua New Guinea and a wholly-owned subsidiary of the Company
"MCC Real Estate"	MCC Real Estate Group Co., Ltd.* (中冶置業集團有限公司), a company established in the PRC and a wholly-owned subsidiary of the Company
"MCC Tongsin Resources"	MCC Tongsin Resources Limited (中冶集團銅鋅有限公司*), a company established in the British Virgin Islands and a wholly-owned subsidiary of the Company

"MCC-JJJ Mining"	MCC-JJJ Mining Development Company Limited* (中冶金吉礦業開發有限公司), a company established in the PRC and a non wholly-owned subsidiary of the Company
"Minmetals Land Holdings"	Minmetals Land Holdings Co., Ltd.* (五礦地產控股有限公司), a company established in the PRC and a subsidiary of China Minmetals
"Non-ferrous Engineering"	China Non-ferrous Engineering Co., Ltd.* (中國有色工程有限公司), a company established in the PRC and a wholly-owned subsidiary of the Company
"PRC"	the People's Republic of China, but for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
"Purchasers"	the purchasers of the Target Equity Interests under the Sale and Purchase Agreements, namely the China Minmetals and Minmetals Land Holdings, (as the case may be)
"Ramu Project"	the Ramu laterite nickel-cobalt mine project in Papua New Guinea
"Remaining Group"	the Company and the remaining subsidiaries of the Group after completion of the Disposal
"Reference Date"	31 July 2025
"Reporting Accountant"	WUYIGE Certified Public Accountants. LLP, the reporting accountant of the Company
"RMB"	Renminbi, the lawful currency of the PRC
"Sale and Purchase Agreements"	the First Sale and Purchase Agreement and the Second Sale and Purchase Agreement

"Second Disposal"	the disposal of (i) the entire equity interest of each of Non-ferrous Engineering, MCC Tongsin Resources, MCC Duddar and MCC Ramu; and (ii) 67.02% equity interest in MCC-JJJ Mining by the Vendors to China Minmetals pursuant to the Second Sale and Purchase Agreement
"Second Sale and Purchase Agreement"	the sale and purchase agreement dated 8 December 2025 entered into between the Company, China Huaye, and China Minmetals in relation to the Second Disposal
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Shandong Trust"	Shandong International Trust Co., Ltd.* (山東省国际信託股份有限公司), an independent third party of the Company and its connected persons and their respective associates
"Shareholder(s)"	shareholder(s) of the Company
"Share(s)"	share(s) of the Company with a nominal value of RMB1.00 each, which refer(s) to both A Shares and H Shares
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"Target Company(ies)"	the target companies whose relevant Target Equity Interests are to be transferred pursuant to the Sale and Purchase Agreements, namely MCC Real Estate, Non-ferrous Engineering, MCC Tongsin Resources, MCC Duddar, MCC-JJJ Mining and MCC Ramu
"Target Equity Interests"	(i) the entire equity interest of each of MCC Real Estate, Non-ferrous Engineering, MCC Tongsin Resources, MCC Duddar and MCC Ramu; and (ii) 67.02% equity interest of MCC-JJJ Mining
"Transition Period"	in respect of each Disposal, the period from the Reference Date to the last day of the month in which the Handover Date falls

"Valuer"	SinoValue Assets Appraisal Co., Ltd.* (中水致遠資產評估有限公司), an independent professional valuer engaged by the Company to appraise the equity interest of the Target Companies and the Debts
"Vendors"	the vendors of the Target Equity Interests under the Sale and Purchase Agreements, namely the Company and China Huaye, (as the case may be)
"Zhongshun Jinda"	Beijing Zhongshun Jinda Trading Co., Ltd.* (北京中順金達貿易有限公司), a wholly owned subsidiary of MCC Real Estate
"%"	per cent

Certain amounts and percentage figures set out in this announcement have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables or descriptions and the currency conversion or percentage equivalents may not be an arithmetic sum of such figures.

By order of the Board
Metallurgical Corporation of China Ltd.*
Chang Qi
Joint Company Secretary

Beijing, the PRC
8 December 2025

As at the date of this announcement, the Board comprises executive directors: Mr. Chen Jianguang and Mr. Bai Xiaohu; non-executive directors: Mr. Lang Jia and Mr. Yan Aizhong (employee representative director); and independent non-executive directors: Mr. Liu Li, Mr. Ng, Kar Ling Johnny and Ms. Zhou Guoping.

* *For identification purpose only*

The following is the text of a report received from WUYIGE Certified Public Accountants.LLP, the reporting accountants of the Company, for the purpose of incorporation into this announcement.

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北京市海淀區知春路1號
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郵編100083

WUYIGE Certified Public Accountants.LLP
Room 2206 22/F,Xueyuan International Tower
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Discounted future estimated cash flow report for earnings forecast

To China Metallurgical Group Corporation (the "Company"):

We have examined the calculations of the discounted future estimated cash flows on which the valuation prepared by SinoValue Assets Appraisal Co., Ltd. Dated 3 December 2025 in respect of the entire equity interests in MCC Real Estate Group Co., Ltd., MCC Tongsin Resources Limited (hereinafter referred to as "**the Target company**"), as at 31 July 2025 (hereinafter referred to as the "**Valuation**") is based. The Valuation, prepared in connection with the Target Companies is set out in the Announcement of Metallurgical Corporation of China Ltd. dated 8 December 2025 (hereinafter referred to as the "**Announcement**"). The Valuation which is based on the discounted future estimated cash flows are regarded as profit forecasts under Rule 14.61 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "**Listing Rules**").

Directors' Responsibilities

The directors of the Company (hereinafter referred to as the "Directors") are solely responsible for the preparation of the discounted future estimated cash flows in accordance with the bases and assumptions determined by the Directors and set out in the Announcement (the "**Assumptions**"). This responsibility includes carrying out appropriate procedures relevant to the preparation of the discounted future estimated cash flows for the Valuation and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Reporting Accountant's Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics issued by the Chinese Institute of Certified Public Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

We applies the Quality Control Standard No. 5101 for Accounting Firms – Engagement Quality Management issued by Ministry of Finance to maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion on whether the calculations of the discounted future estimated cash flows have been properly compiled, in all material respects, in accordance with the Assumptions on which the Valuation is based and to report solely to you, as a body, as required by Rule 14.60A(2) of the Listing Rules, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our engagement in accordance with the terms of our engagement letter and Hong Kong Standard on Investment Circular Reporting Engagements 500 "Reporting on Profit Forecasts, Statements of Sufficiency of Working Capital and Statements of Indebtedness", and refer to China Standards on Other Assurance Engagements No. 3101 – Assurance Engagements Other Than Audits or Reviews of Historical Financial Information. Those standard requires that we plan and perform our work to obtain reasonable assurance as to whether the discounted future estimated cash flows, so far as the calculations are concerned, have been properly compiled in accordance with the Assumptions. Our work was limited primarily to making inquiries of the Company's management, considering the analyses and assumptions on which the discounted future estimated cash flows are based and checking the arithmetic accuracy of the compilation of the discounted future estimated cash flows. Our work does not constitute any valuation of the disposal Target company. Our work is substantially less in scope than an audit conducted in accordance with China Standards on Auditing. Accordingly, we do not express an audit opinion.

Because the Valuation relates to discounted future estimated cash flows, no accounting policies of the Company have been adopted in its preparation. The Assumptions include hypothetical assumptions about future events and management actions which cannot be confirmed and verified in the same way as past results and these may or may not occur. Even if the events and actions anticipated do occur, actual results are still likely to be different from the Valuation and the variation may be material. Accordingly, we have not reviewed, considered or conducted any work on the reasonableness and the validity of the Assumptions and do not express any opinion whatsoever thereon.

Opinion

Based on the foregoing, in our opinion, the discounted future estimated cash flows, so far as the calculations are concerned, have been properly compiled, in all material respects, in accordance with the Assumptions.

WUYIGE Certified Public Accountants. LLP

Chinese Certified Public Accountant

China Beijing

Date: 8 December 2025

The following is the text of a letter received from China International Capital Corporation Hong Kong Securities Limited, the financial adviser of the Company, for the purpose of incorporation into this announcement.

CICC 中金公司

China International Capital Corporation Hong Kong Securities Limited
29th Floor, One International Finance Centre
1 Harbour View Street
Central
Hong Kong

The Board of Directors
Metallurgical Corporation of China Ltd.
MCC Tower,
28 Shuguang Xili
Chaoyao District
Beijing
People's Republic of China

8 December 2025

Dear Sirs,

We refer to the Valuation Reports dated 3 December 2025 (the "**Valuation Reports**") in respect of the valuation of the entire equity interest of MCC Real Estate Group Co., Ltd. ("**MCC Real Estate**") and MCC Tongsin Resources Limited ("**MCC Tongsin Resources**") as at 31 July 2025, prepared by Sinovalue Assets Appraisal Co., Ltd. ("**Sinovalue**"). Capitalised terms used herein, unless otherwise defined, shall have the same meanings as defined in the announcement of Metallurgical Corporation of China Ltd. (the "**Company**") dated 8 December 2025 in connection with, among others, VERY SUBSTANTIAL DISPOSAL AND CONNECTED TRANSACTION IN RELATION TO DISPOSAL OF TARGET EQUITY INTERESTS IN THE TARGET COMPANIES AND ASSIGNMENT OF THE DEBTS (the "**Announcement**").

We understand that the Valuation Reports have been provided to you in connection with the Company's proposed disposal of the entire equity interest of MCC Real Estate and MCC Tongsin Resources.

We note that the Valuation Reports have been prepared partly based on, among other things, the income approach, an appraisal approach to identify the value of the target of evaluation by discounted cash flows, and are therefore regarded as profit forecasts under Rule 14.61 of the Listing Rules (the "**Forecasts**").

We are not reporting on the arithmetical calculations of the Forecasts and the adoption of the accounting policies thereof, and our work does not constitute any valuation or fairness opinion of the shareholders' equity of MCC Real Estate and MCC Tongsin Resources. We have assumed, without independent verification, the accuracy of the parameters stated in the Valuation Reports. We have assumed that all information, materials, opinions and/or representations supplied, including all information, materials, opinions and/or representations referred to or contained in the Announcement, for which the Directors are solely responsible, were true, accurate, complete and not misleading at the time they were supplied or made and continued to be so up to the date of this letter and that no material fact or information has been omitted from the information and materials supplied. No representation or warranty, expressed or implied, is made by us on the accuracy, truth or completeness of such information, materials, opinions and/or representations. Circumstances could have developed or could develop in the future that, if known to us at the time of this letter, would have altered our assessment and review. In addition, the qualifications, bases and assumptions adopted by Sinovalue are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of Sinovalue and the Company.

We have reviewed the Forecasts of MCC Real Estate and MCC Tongsin Resources included in the Valuation Reports, for which you as the Directors are solely responsible. We have attended discussions involving the management of the Company, Sinovalue, MCC Real Estate and MCC Tongsin Resources, where (i) the historical performance of MCC Real Estate and MCC Tongsin Resources, (ii) the calculations of the Forecasts, and (iii) the qualifications, bases and assumptions set out in the Valuation Reports were discussed. We have also considered the report to the Directors from WUYIGE Certified Public Accountants. LLP as set out in Appendix I to the Announcement on the calculations of the discounted cash flows on which the Forecasts are based. The Forecasts are based on a number of bases and assumptions. As the relevant bases and assumptions are about future events which may or may not occur, the actual financial performance of the businesses of the MCC Real Estate and MCC Tongsin Resources may or may not achieve as expected and the variation may be material.

On the basis of the foregoing and without giving any opinion on the reasonableness of the valuation methods, bases and assumptions selected by Sinovalue, for which Sinovalue and the Company are responsible, we are satisfied that the Forecasts included in the Valuation Reports and disclosed in the Announcement, for which you as the Directors are solely responsible, have been made after due and careful enquiry by you.

The work undertaken by us in giving the above view has been undertaken for the purpose of reporting solely to you under Rule 14.60A(3) of the Listing Rules and for no other purpose. We accept no responsibility to any other person in respect of, arising out of or in connection with our work or this letter.

Yours faithfully,
For and on behalf of
China International Capital Corporation
Hong Kong Securities Limited
Longwen Zou
Executive Director

* *For identification purposes only.*